

# DAILY REPORT

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MINISTRY CONVEYS INVITATION TO SOVIET LEADERS

OW050539 Tokyo KYODO in English 0522 GMT 5 Jul 85

[Text] Tokyo, July 5 KYODO -- Japan on Friday reconfirmed its invitation for top Soviet leaders to visit Tokyo, Foreign Ministry officials said. The Soviet officials invited were Communist Party General Secretary Mikhail Gorbachev, President Andrey Gromyko, Premier Nikolay Tikhonov and Foreign Minister Eduard Shevardnadze, the officials said.

Vice Foreign Minister Kensuke Yanagiya called in Soviet Ambassador Petr Abrasimov and asked him to convey the Japanese invitation to the Kremlin leaders. Abrasimov, who will shortly go to Moscow on home leave, promised to convey the invitation, they said.

Yanagiya told Abrasimov that it is now the Soviet Union's turn to send its foreign minister to Tokyo for regular consultations. Gromyko, who was succeeded by Shevardnadze as foreign minister on Tuesday, previously visited Japan in January 1976. The vice foreign minister also told the Soviet envoy that former Prime Minister Kakuei Tanaka's invitation to the Troika leaders issued 12 years ago still stands. Tanaka extended the invitation when he visited Moscow for a summit with the then Soviet leader Leonid Brezhnev in October 1973.

Abrasimov told Yanagiya that he would meet Foreign Minister Shevardnaze and other Kremlin leaders in Moscow and convey the Japanese invitation. Abrasimov promised to meet again with Yanagiya after returning from his home leave and deliver replies from the Kremlin leaders, the officials said.

GOVERNMENT WELCOMES UPCOMING U.S.-SOVIET SUMMIT

OW040049 Tokyo KYODO in English 0038 GMT 4 Jul 85

[Text] Tokyo, July 4 KYODO -- Japan Thursday welcomed the agreement on a summit between U.S. President Ronald Reagan and Soviet party chief Mikhail Gorbachev, saying the talks will bring about favorable effects on Tokyo-Moscow relations.

Following the simultaneous announcement in Washington and Moscow of the November 19-20 talks in Geneva, a senior Foreign Ministry official said the agreement indicated another sign of a change in Soviet foreign policy. Gorbachev has begun exerting leadership in diplomatic affairs, and his country's policy toward the West is expected to become more flexible, said the official, who declined to be named. He said that the Soviet Union tends to link its relations with Japan to U.S.-Soviet relations. The move toward dialogue between Washington and Moscow is thus expected to facilitate dialogue between Tokyo and Moscow, the official said. A standing request that the Soviet foreign minister visit Japan will be extended to Eduard Shevardnadze, who has succeeded Andrey Gromyko, the official said.

Japan had long wanted Gromyko to come to Tokyo for talks with his Japanese counterpart Shintaro Abe, but Gromyko was reluctant to do so, saying the time was not ripe.

Nakasone on Gorbachev, Summit

OW050809 Tokyo KYODO in English 0802 GMT 5 Jul 85

[Text] Tokyo, July 5 KYODO -- Japanese Prime Minister Yasuhiro Nakasone predicted Friday Soviet leader Mikhail Gorbachev will try to "recreate" Soviet Communism into a more realistic and modern one within 20 years.

He also said the Geneva summit between Gorbachev and U.S. President Ronald Reagan in November will become a momentum toward peaceful East-West relations.

Speaking as special guest to a meeting of chief editors of the news organizations affiliated with KYODO NEWS SERVICE, Nakasone gave his overall assessment of Gorbachev's leadership following the recent breakup in the Kremlin. Nakasone described as "two big news" the elevation of Soviet Foreign Minister Andrey Gromyko to presidency and the simultaneous announcement by Washington and Moscow of the Reagan-Gorbachev meeting on November 19-20. "My bold projection is that (the world) is moving in a good direction," the 67-year-old prime minister said. Gorbachev emerged as new Soviet leader at a time when the Soviet Union is losing vigor in both economic and political areas, Nakasone said. The country has been plagued by various domestic problems, such as alcoholism and indolence of the people, he said. China, meanwhile, has been successfully developing its economy with the aid of a communist system of its own, thus bringing a "serious impact" on the Soviet Union.

The United States, West European countries and Japan have maintained solidarity which is so strong that there is no room for Moscow to drive a wedge between the three pillars of the West, Nakasone said. Against the backdrop, Gorbachev is bracing to transform Soviet Communism with his pragmatic and scientific way of thinking, completely different from that of the old-timers in the Kremlin, he said. The 54-year-old party chief could transform the party in 20 years or so as he should be able to remain in the top post by Soviet standard, Nakasone said. "Time favors him," said Nakasone, whose second two-year term as prime minister is to run out in autumn next year. In order to reconstruct the Soviet economy and the Kremlin's world strategy, Nakasone continued, the Soviet Union is advised not to disrupt the present order of the world.

The coming Geneva Summit, which Nakasone said he had ardently hoped for, is being brought into fruition because it was necessary to the two superpowers, according to Nakasone. Both sides have been reaching a stage toward a relationship of "harmony, coordination or reconciliation," Nakasone said. In Geneva, Reagan and Gorbachev are expected to deal with such matters as reduction of nuclear missiles and conventional arms and such regional conflicts as Afghanistan and Kampuchea, he said. "We cannot be overoptimistic. But a sort of placidity is beginning to prevail (over the world)" said Nakasone.

He hoped the summit would be fruitful and said that the important thing for the two countries is not to walk away from the negotiating table.

#### NAKASONE, GENSCHER DISCUSS GORBACHEV, SUMMIT

OW041241 Tokyo KYODO in English 1149 GMT 4 Jul 85

[Text] Tokyo, July 4 KYODO -- Prime Minister Yasuhiro Nakasone and West Germany's Foreign Minister Hans-Dietrich Genscher agreed Thursday on the need to tighten Western solidarity against the Soviet Union, Japanese officials said.

Genscher told Nakasone Soviet leader Mikhail Gorbachev attaches importance to Western Europe in contrast to former Foreign Minister Andrey Gromyko who laid stress on ties with Washington. The West German foreign minister came to Tokyo Wednesday for regular consultations with Japan.

Nakasone, who met Gorbachev during the March funeral of former Soviet leader Konstantin Chernenko, told Genscher that Gorbachev was a new-type communist who differs from classical communists like Premier Nikolay Tikhonov.

Gorbachev needs to reconstruct old-fashioned communism and appears determined to make use of a November summit with U.S. President Ronald Reagan to do so, Nakasone was quoted as saying.

Genscher told Nakasone the Kremlin is putting top priority to reconstructing, streamlining and modernizing the Soviet economy.

The Japanese leader, replying to Genscher's question on whether to take part in Reagan's "star wars" research program, said merely the matter is still under study, the officials said. The West German foreign minister told Nakasone Bonn will make no decision on the space-based missile defense program before receiving a report from an experts' panel in September. The United States has asked Japan and West Germany, along with other NATO allies, Canada, Australia and Israel, to join the research program.

The hour-long talks between Nakasone and Genscher also covered bilateral affairs between the two countries.

Nakasone said he is well aware of Europe's requests for wider market access in Japan and promised further efforts to meet those demands. Genscher praised Nakasone's efforts which he called encouraging but contended that economic disputes are rooted not only in legal matters but psychology of the Japanese people, the officials said.

#### JAPAN, USSR TO NEGOTIATE EXPIRING TRADE ACCORD

OW040408 Tokyo KYODO in English 0342 GMT 4 Jul 85

[Text] Tokyo, July 4 KYODO -- Japan and the Soviet Union will hold negotiations on the amendment of a bilateral trade and payment agreement, due to expire at the end of this year, in Moscow July 23-24, the government announced Thursday.

The government will send a delegation consisting of officials of the ministries and agencies concerned, including Takehiko Nishiyama, director general of the Foreign Ministry's European and Oceanic Affairs Bureau.

#### NAKASONE ON COOPERATION IN EXPORTS TO U.S.

OW040731 Tokyo KYODO in English 0721 GMT 4 Jul 85

[Text] Tokyo, July 4 KYODO -- Prime Minister Yasuhiro Nakasone told a U.S. congressional delegation here Thursday that Japan can cooperate in keeping Japanese exports from hurting American industries through orderly marketing. "(I know) Japan should realize it would be wrong to cause (dismissals of factory workers and other) troubles..." he said.

Nakasone added, however, that the problem of Japan-U.S. trade imbalance has its roots deep in the structure of the bilateral trade relationship. The United States should also make efforts on its part to solve the problem in this respect by adjusting the high interest rates in the United States, he said. Japan is reviewing quality standards on imported goods and import procedures as part of its effort to increase its imports, he said. The remarks were made to the delegation made up of congressmen from the northeast and midwest parts of the United States. It is headed by Berkley Bedell, a Democrat from Iowa.

The congressmen told Nakasone that Japan should take dramatic measures to rectify the trade imbalance which is now lopsided in favor of Japan. Otherwise, they warned, Congress may have to give way to political pressure and take some protectionist trade measures.

FURTHER REPORTAGE ON IRANIAN MAJLIS SPEAKER VISIT

## Industrial Assistance Requested

OW031027 Tokyo KYODO in English 1007 GMT 3 Jul 85

[Text] Tokyo, July 3 KYODO -- Hashemi-Rafsanjani, speaker of Iran's Parliament, asked Japan Wednesday for assistance in two ambitious industrial projects. Rafsanjani, on an official visit to Japan, made the appeal in a speech at a lunch given in his honor by major economic and industrial organizations, including the Federation of Economic Organizations (Keidanren).

He said one of the two projects under consideration requires the construction of a 1,000-kilometer canal linking the Caspian Sea and the Persian Gulf and the other involves the development of energy by harnessing sea currents. Rafsanjani said the canal project is designed to improve soil in the desert areas of western and northern Iran. A hydroelectric power station would be built to generate electricity by utilizing the 500-meter difference in the level of water in the two areas, he said. He declined to state the size of investment required in the two projects. He said the projects are attractive but will require huge investment and their implementation would have immense economic effects.

## Nakasone Urges Plant Completion

OW031233 Tokyo KYODO in English 1216 GMT 3 Jul 85

[Text] Tokyo, July 3 KYODO -- Prime Minister Yasuhiro Nakasone urged Iran Wednesday to help complete the Iran-Japan petrochemical project, which has been delayed due to the Gulf war. He made the request in a meeting with Hashemi-Rafsanjani, the speaker of Iran's Parliament who is now on a five-day visit here, a Japanese spokesman said.

Rafsanjani said he recognizes Japan's concern that the Iran-Iraq war has become a stumbling block to promotion of Iran-Japan relations, the spokesman said. The visiting Iranian leader emphasized that Tehran wants peace. He also added that his country hopes to enter a new phase of expanded Iran-Japan relations.

## Speaker Departs

OW050133 Tokyo KYODO in English 0125 GMT 5 Jul 85

[Text] Tokyo, July 5 KYODO -- Hashemi-Rafsanjani, speaker of the Iranian national assembly, left here Friday for home after winding up his five-day official visit to Japan. Rafsanjani, regarded as the No. 2 man in his country, had held talks with Prime Minister Yasuhiro Nakasone, Foreign Minister Shintaro Abe, the leaders of both houses of the Diet and other political and economic leaders. The talks covered the Iran-Iraq war, problems of resuming the Iran-Japan petrochemical project in Iran and bilateral economic and technological cooperation.

MINISTER CONFIRMS TWO HELD HOSTAGE IN IRAQ

OW040445 Tokyo KYODO in English 0431 GMT 4 Jul 85

[Text] Tokyo, July 4 KYODO -- The Japanese Foreign Ministry Thursday confirmed two Japanese are being held hostage by a Kurdish rebel group in Iraq, and identified them as engineers of Nec Corp., a leading electrical appliance maker of Japan.

Officials at the Consular Section, however, refused to comment on continuing negotiations for the release of the hostages between the Japanese Government and Kurdish group, called the Patriotic Union of Kurdistan (PUK). Neither did they disclose the names of the engineers, citing considerations of safety for the hostages.

According to the officials, the Nec employees were abducted by the group along with a Jordanian engineer on April 4, when a fight occurred near Arbil in northern Iraq between the Kurdish guerrillas and government troops. The Japanese Government immediately requested cooperation from the Iraqi Government in rescuing the Japanese hostages and safeguarding their lives, the officials said. They said negotiations for their release have been conducted chiefly by Nec, with the Foreign Ministry working as a back-up. But an Nec spokesman said the ministry has been in the forefront of the negotiations and the company has no direct negotiating channel with the Kurdish group. "The guerrillas have not presented us with any conditions for the release," the spokesman said.

Reports said PUK have freed 22 foreigners held hostage for months, leaving only two Japanese and two South Koreans. PUK is a major guerrilla group demanding a greater degree of autonomy for an estimated 3 million Kurds in northern Iraq, the reports said. The rebels were quoted as demanding a commitment from foreign governments and companies concerned not to engage in military or related projects in Iraqi Kurdistan without the approval of PUK.

#### JAPAN, PRC AGREE ON NUCLEAR POWER COOPERATION

OW050955 Tokyo KYODO in English 0945 GMT 5 Jul 85

[Text] Beijing, July 5 KYODO -- Japan and China reached a provisional agreement here Friday on nuclear power cooperation, opening the way for Japan's export of atomic power plant equipment to its communist neighbor.

Details of the agreement, a product of bilateral negotiations opened in October 1983, were not released pending official signing of the accord, probably at a bilateral ministerial meeting set for Tokyo later this month. But chief Japanese negotiator Yoshifumi Matsuda, director general of the Foreign Ministry's Office of Science and Technology Affairs, said the agreement includes provisions ensuring peaceful use of nuclear power and the related technology to be exported from Japan.

China had objected to a proposed provision allowing Japan to call for the return of equipment and radioactive materials in the event of a serious violation of the agreement on the Chinese side.

Speaking to reporters, Matsuda said both Japan and China had made concessions to reach agreement on the content of the provision. He did not elaborate. He said China has so far concluded similar agreements with Italy, France, West Germany, Brazil, Argentina, Belgium and Britain. But only the agreements with Brazil and Argentina contain provisions concerning peaceful use of nuclear power and radioactive materials, Matsuda added. He said Japanese negotiators won Chinese agreement on the provision after telling the Chinese officials that Japanese people are very sensitive about the issue because of the 1945 atom bomb holocaust in Hiroshima and Nagasaki.

China was represented in the five-day negotiations by Jia Weiwen, a member of the State Scientific and Technological Commission. China plans to build about 20 nuclear power plants with combined output of 10 million kilowatts through the year 2000, starting with one at Qinshan, central China.

ABE, PRC OFFICIAL DISCUSS ORPHANS QUESTION

OW031345 Tokyo NHK Television Network in Japanese 0300 GMT 3 Jul 85

[Text] Foreign Minister Abe met with Chen Lei, former governor of Heilongjiang Province in China, and agreed with him that Japan and China should continue to cooperate with each other in locating parents of Japanese orphans residing in China. The former Heilongjiang provincial governor is currently visiting Japan.

Foreign Minister Abe expressed thanks to former Governor Chen Lei for his cooperation in searching for the parents of the Japanese orphans and requested that the Chinese side help Japan in interviewing those Japanese orphans in Heilongjiang and other provinces who have not yet been interviewed. He said that Japan wants to conduct the interviews as early as possible. In reply, the former Heilongjiang provincial governor said: For the sake of Japan-China friendship and from the humanitarian standpoint, we will render as much cooperation as possible. Conversely, we hope that the Japanese Government will show solicitude to the orphans who have returned to Japan so that they can live with a sense of security. Thus, the two agreed that the two countries would cooperate toward the settlement of the orphans' question.

KYODO POLL SHOWS NAKASONE CABINET RATINGS DROP

OW030541 Tokyo KYODO in English 0749 GMT 3 Jul 85

[Text] Tokyo, July 3 KYODO -- The popularity rating of Prime Minister Yasuhiro Nakasone's cabinet dropped to 56.8 percent from 58.7 percent recorded three months ago, an opinion poll released by KYODO NEWS SERVICE Wednesday showed. Despite the decline in popularity, analysts say, the figure still represents an unusually high mark for a Japanese Government which has passed two and a half years since its inauguration.

Nakasone's popularity rating stood at 51 percent in a KYODO survey conducted immediately after his first cabinet was launched in November, 1982. The prime minister saw the rating drop to the 45 percent level in March and October, 1983, apparently due to the impact of his controversial remark about making Japan an unsinkable aircraft carrier against the Soviet Union, and the guilty ruling on former Prime Minister Kakuei Tanaka, Nakasone's close friend, respectively. But Nakasone hit a 58.7 percent popularity rating, the highest for his cabinet, in March of this year thanks to his much-publicized summit in Moscow with Soviet leader Mikhail Gorbachev.

The latest KYODO poll was conducted on June 29 and 30 by selecting a total of 3,000 people at random across the country, 1,990 of whom responded to interviews. Compared with the 56.8 percent support rate, the non-support rate was 31.9 percent, a marginal decline from 32.4 percent in the previous poll. The survey, in which the respondents were asked to give a reason for their support or non-support, also found a majority of supporters to be negative supporters, according to the analysts.

Of those who replied they support Nakasone, 28.0 percent said they do so because there is no other person fitting the job, 23.4 percent said the Nakasone cabinet belongs to the Liberal-democratic Party (LDP), and 12.0 percent said they have no particular reason. Only 11.7 percent said they lauded Nakasone's diplomatic policy, while 2.4 percent said they liked his economic policy. Of the non-supporters, 20.0 percent cited poor economic policy of the Nakasone cabinet, and 18.3 percent said they did not trust Nakasone. As for party preferences, the survey gave the LDP a 49.7 percent support rate (55.6 percent in the previous poll, 13.1 percent to the Japan Socialist Party (unchanged), 4.5 percent to Komeito Party (5.0 percent), 3.7 percent to the Democratic Socialist Party (3.9 percent) and 2.0 percent to the Japan Communist Party (2.4 percent).

SPA AGREES TO HOLD PARLIAMENTARY TALKS 23 JULY

SK050304 Pyongyang Domestic Service in Korean 0222 GMT 5 Jul 85

[Text] Yang Hyong-sop, chairman of the Standing Committee of the DPRK Supreme People's Assembly, today sent a telephone notice to the speaker of the South Korean National Assembly.

Following is [the text of] the telephone notice:

Yi Chae-hyong, speaker of the ROK National Assembly:

I received your 28 June reply notice in reply to our 14 June telephone notice which was sent to your side in connection with preliminary contacts for North-South parliamentary talks. The compatriots at home and abroad and the world's people earnestly hope that a new advanced measure would be taken on the road toward the country's peace and peaceful reunification by holding North-South parliamentary talks in our country at the earliest date.

In this respect, we believe that it would be better if the preliminary contacts are arranged as soon as possible. However, considering the fact that your side proposed changing the date to 23 July, we inform you that we will send our side's delegation to the conference room of the Neutral Nations Supervisory Commission at Panmunjom at 1000 on that day.

[Date] 5 July 1985

[Signed] Yang Hyong-sop, chairman of the Standing Committee of the DPRK SPA

EDITORIAL MARKS ANNIVERSARY OF JOINT STATEMENT

SK040348 Pyongyang Domestic Service in Korean 2131 GMT 3 Jul 85

[NODONG SINMUN 4 July editorial: "Let Us Expedite the Country's Cause of Reunification by Materializing the 3-Point Principle -- Independence, Peaceful Reunification, and Grand National Unity"]

[Text] Today is the 13th anniversary of the historic 4 July North-South Joint Statement. Excitedly recalling 4 July 1972 when, basking in the glimmer of hope, all the people overflowed with excitement, our people are determined to achieve the country's reunification without fail under the outstanding and tested leadership of our party.

When the country was divided by the U.S. imperialists, the great leader Comrade Kim Il-song set forth a most correct line and policy for the fatherland's reunification, and he has wisely led the struggle to implement this line and policy. In the early part of the 1970's, the great leader Comrade Kim Il-song set forth a policy for extensively conducting negotiations between the North and the South on the basis of the scientific analysis of the requirements of the rapidly changing situation at home and abroad, opened the door of contact between the North and the South, and put forth the grand 3-point principle -- independence, peaceful reunification, and grand national unity -- as a basic program for the fatherland's reunification.

As a result of our proposal and positive effort, the door or barrier between the North and the South, which had remained firmly closed for a long time, opened, and dialogue between the North and the South was realized.

As a result, the historic North-South Joint Statement was issued. With the issue of the North-South Joint Statement which was inspired by the desire for independence, peaceful reunification, and grand national reunification the grand 3-point principle for the fatherland's reunification set forth by the great leader Comrade Kim Il-song became a common national program which the North and the South jointly confirmed and solemnly declared at home and abroad.

The issue of the North-South Joint Statement was the brilliant fruition of the outstanding and wise leadership of the great leader Comrade Kim Il-song and the WPK which had sagaciously analyzed and evaluated the situation at home and abroad, brightly illuminated our people's path of advance, and vigorously led our people along the single road of reunification. The realization of dialogue between the North and the South and the issue of North-South Joint Statement marked great progress on the road to achieving the fatherland's reunification.

The great leader Comrade Kim Il-song has taught: The reunification of our people should be achieved independently and peacefully through our people's own effort without the interference of any foreign forces and not through the use of arms between the North and the South, but through contact and dialogue on the basis of achieving grand unity by all Korean compatriots in the North and the South and overseas as a homogeneous people, transcending differences in ideologies and systems.

The grand 3-point principle for the fatherland's reunification is a historic milestone illuminating a uniquely correct way to resolve the reunification question of our country.

During the past 13 years since the North-South Joint Statement was issued, our party and the government of the republic has struggled vigorously to implement the grand 3-point principle for the fatherland's reunification. In order to expedite the cause of the country's reunification, our party and the government of the republic have repeatedly advanced rational proposals to materialize the idea and principle of the Joint Statement, such as ending the state of military confrontation between the North and the South, realizing multilateral collaboration and exchanges in various sectors, extensively holding a political consultative meeting, and instituting a confederal system. Our party and the government of the republic have made every effort to achieve this end.

Because of the South Korean puppets' act of betrayal, our effort to materialize the grand 3-point principle has failed completely. Having approved the principle of independence, they said that the presence of U.S. forces in South Korea was just because these forces were not foreign forces. Having approved the principle of peaceful reunification, they have given impetus to military buildup, saying that the northern half of the republic is an area that has not been recovered. Having approved the principle of grand national unity, they have perversely fanned the sentiment of enmity among the people while clamorously advocating confrontation in dialogue.

Having systematically violated the grand 3-point principle, the South Korean puppets have come finally to clamorously advocate simultaneous admission to the United Nations to internationally legalize the division of Korea by unilaterally violating the Joint Statement by coming up with the manifesto of the perpetuation of division -- the materialization of an attempt to concoct two Koreas.

Having followed the previous dictator, villain Chon Tu-hwan has laid a graver obstacle to the future path of reunification by following his predecessor's line of division. The present dictator, who usurped power by bloodily suppressing the patriotic advance movement of the Kwangju citizens to achieve freedom, democracy, and reunification by mobilizing troops from several divisions, is a most atrocious enemy of peaceful reunification.

By covering South Korea with a network of military tyranny, he has cruelly suppressed all patriotic forces demanding national sovereignty, democracy, and the country's reunification. He has maneuvered to perpetuate division, stopping at nothing.

His advocacy of cross recognition, contact between the North and the South, and of single and simultaneous admission to the United Nations are maneuvers to perpetuate the division of our country and to achieve international recognition of this. In order to create an international atmosphere conducive to the creation of two Koreas, he has visited various countries and conducted behind-the-scenes negotiations to host the 1988 Olympics in Seoul by any means. Laying obstacles to the cause of achieving the country's reunification by hosting international sports games in one side of a divided country contradicts the spirit of the Olympics -- peace, friendship, and unity.

The South Korean puppets have clamorously babbled about peaceful reunification. This is a disguise designed to conceal their divisionist policy. While babbling about dialogue and reunification, they have wickedly kicked up anticommunist and antirepublic rackets. They have increased the manpower and equipment of the puppet armed forces, deployed them forward in the area along the Military Demarcation Line, and stepped up war exercises and military provocations against us.

How can the South Korean authorities behave this way in a 2-pronged manner if they want peace and reunification? Last year, they ignored our just and fair proposal to hold tripartite talks. While responding to our proposal to hold parliamentary talks between the North and the South, this year they avoided discussing the matter of issuing a joint declaration of nonaggression. This proceeded from a treacherous stand of wanting neither peace nor reunification and seeking only confrontation and division.

The ringleaders of criminal maneuvers to perpetuate division by concocting two Koreas and to provoke a new war are the U.S. imperialists. Having regarded the concoction of two Koreas as a basic strategy against Korea, the U.S. imperialists have perversely maneuvered to implement this strategy. In accordance with a script written by the U.S. imperialists, the puppets have forged ahead with a maneuver to perpetuate division. Under the manipulation of the U.S. imperialists, the puppets have zealously kicked up war rackets. By concocting two Koreas, the U.S. imperialists are trying to continuously keep South Korea as their colonial military base and as a military bridgehead against all of Korea and Asia.

Having designated the Korean peninsula as the foremost frontline in U.S. strategy, the U.S. imperialists have accelerated war preparations by increasing the manpower and equipment of the U.S. forces occupying South Korea and of the puppet armed forces. Raving that they will use nuclear weapons if a war breaks out in Korea, they have deployed great quantities of nuclear weapons in South Korea. They are even trying to deploy medium-range nuclear and cruise missiles there.

The joint "Team Spirit" military exercise staged annually by the U.S. imperialists is a preliminary and nuclear test war designed to complete the posture of war preparations against the northern half of the republic.

While maneuvering to drag the troops of Japan's Self-Defense Forces into an aggressive war against our people, the U.S. imperialists have accelerated the work of forming a tripartite military alliance between the United States, Japan, and South Korea. A plan to conduct a joint exercise of U.S. Air Force units in South Korea and Japan's Air Self-Defense Force over the East Sea of our country and a plot to exchange visits between the Japanese and South Korea naval fleets show that the tripartite military alliance is actually functioning.

The U.S. imperialists' maneuvers for aggression and war, which have assumed a much more brazen nature with the passage of time, have increased tension and the danger of war on the Korean peninsula. The occupation of South Korea by the U.S. imperialists and their policy of aggression are decisive obstacles hindering the reunification of our country and are basic factors disrupting peace in Korea.

Chon Tu-hwan is a most wicked executor for the U.S. imperialists' war policy of colonial control. As long as the U.S. imperialists occupy South Korea and as long as they meddle in the internal affairs of Korea, we cannot expect the democratization of South Korean society, a durable peace in the country, and peaceful reunification. Having realized that without foiling the U.S. imperialists' policy of occupation and without ending their fascist colonial rule, man's dignity, national sovereignty, and the country's reunification would not be achieved, the South Korean students and people have stepped up their anti-U.S. struggle for independence and their antifascist struggle for democracy.

The occupation of South Korea by the U.S. imperialists runs counter to the Korean Armistice Agreement envisaging the withdrawal of foreign forces from Korea and the resolution of the 30th UN General Assembly calling for the withdrawal of U.S. forces from South Korea and is incompatible with the desire of the Korean people. The U.S. imperialists have no ground and excuse for remaining in South Korea. The withdrawal of U.S. forces from South Korea is a prerequisite for achieving the country's reunification based on the grand 3-point principle. The U.S. imperialists should withdraw from South Korea without delay and should take their hands off Korea.

The South Korean puppets, too, should stop reckless maneuvers to suppress students and the people, to fan the sentiment of enmity and confrontation among the people by kicking up anticommunist rackets, to heighten tension, and to accelerate war preparations, and should behave discreetly.

The fatherland's reunification is the supreme and long-cherished desire of our people. The proposal to establish a democratic confederal republic of Koryo [DCRK] -- a proposal to establish a confederal state leaving the present systems of the North and the South intact -- is the most practical proposal for materializing the grand 3-point principle.

The fatherland's reunification is pan-national work that could only be completed through the united effort of the people. If all the patriotic forces of the North and the South join their efforts by giving priority to the national idea and by transcending ideologies and systems, they will achieve the historic cause of the fatherland's reunification, thwarting any hindering maneuvers of the divisionists at home and abroad.

Replacing the unstable Armistice Agreement with a peace agreement and ending the state of confrontation between the North and the South are important factors guaranteeing peace and peaceful reunification. In order to achieve this end, we have proposed the convocation of tripartite talks among us, the United States, and South Korea, and are patiently waiting for the response of the opposite side to this proposal.

If tripartite talks are realized and if the Korean Armistice Agreement is changed into a durable peace, an excellent prerequisite for peaceful reunification will be provided.

Eliminating the danger of war and alleviating tension in Korea is a vital issue that is related to the destiny of the people and is a very exigent task whose settlement is longed for. Our proposal to issue a joint declaration of nonaggression at [word indistinct] to alleviate tension and to improve relations between the North and the South is aimed at resolving this urgent issue.

If a joint declaration of nonaggression is issued at parliamentary talks and if the authorities of both sides adopt a declaration of nonaggression, formalizing this declaration, this will provide the opportunity for an epochal change in alleviating tension and in improving relations between the North and the South. If relations between the North and the South are improved, this will favorably influence the work of advancing the Red Cross and economic talks and will make the convocation of tripartite talks feasible.

It is the invariable faith and will of our party and the government of the republic to peacefully resolve the question of the country's reunification through the joint effort of the North and the South and in accordance with the grand 3-point principle -- independence, peaceful reunification, and grand national unity -- without the interference of foreign forces.

Just as we did in the past, we will exert every effort to improve and develop relations between the North and the South and to resolve the reunification question -- a national issue -- to meet the democratic will and interests of the people.

Our people are a homogeneous people, and the North and the South are a single territory that cannot be separated. No one can check our people's advance movement to achieve national prosperity in a single fatherland free of foreign forces and division by once again cementing the severed ties of the people and by reunifying the country. Our people, vigorously advancing toward achieving the cause of the fatherland's reunification by firmly uniting around the party Central Committee led by the great leader Comrade Kim Il-song, will surely be victorious.

#### SOUTH SINCERITY URGED IN PARLIAMENTARY TALKS

SK041115 Pyongyang KCNA in English 1011 GMT 4 Jul 85

[Text] Pyongyang July 4 (KCNA) -- The DPRK proposal for North-South parliamentary talks is a step taken at a momentous juncture decisive of the nation's destiny and a fair proposal thoroughly reflecting its vital interests, declares NODONG SINMUN today.

Under the present situation where the tension is growing acute and the danger of war is constantly felt, it is the best way of delivering our nation out of the life-and-death crisis to hold North-South parliamentary talks and publish a joint declaration of non-aggression, the paper says, and continues:

If North-South parliamentary talks are held and a joint declaration of non-aggression is published, the authorities of the two sides will be able to publish a non-aggression declaration by giving it a concrete form. This will bring a big step forward in preventing armed conflicts between the two sides, preserving peace and laying a foundation for a peaceful reunification.

The realisation of the talks will facilitate North-South high-level political talks and have an inspiring influence on the economic and Red Cross talks between the two sides now in progress. Furthermore, it will promote the realisation of tripartite talks.

To hold North-South parliamentary talks and publish a joint declaration of non-aggression is the only way at the present moment for promoting national reconciliation and trust between North and South, easing the tension and preventing a war.

The proposal for North-South parliamentary talks is a nation-saving proposal acceptable to everyone who truly wants peace and a peaceful reunification of the country.

But the South Korean side, in responding to the DPRK proposal for North-South parliamentary talks, came out with an offer off the point to leave to the authorities the discussion of such vital questions of the nation as the prevention of war and institute only a "unified constitution" at the parliamentary talks. And it has failed to show sincerity in having a working-level contact as early as possible.

Though the South Korean side is talking about "the relaxation of tension" and "dialogue", it, in actuality, has an ax to grind behind the scene of dialogue. The South Korean side must approach the DPRK proposal for North-South parliamentary talks from an honest stance.

#### KIM YONG-NAM GREETS NEW USSR FOREIGN MINISTER

SK031535 Pyongyang KCNA in English 1518 GMT 3 Jul 85

[Text] Pyongyang July 3 (KCNA) -- Foreign Minister Kim Yong-nam sent a message of greetings to E.A. Shevardnadze on his appointment as Soviet foreign minister.

Expressing the belief that the traditional Korean-Soviet friendly and cooperative relations would continue to expand and develop comprehensively on a new high stage according to the spirit agreed upon through historic meetings and talks between the leaders of the two countries, the message sincerely wished the foreign minister good health and new success in his responsible work to implement the peaceful foreign policy of the Soviet party.

#### DPRK-USSR TREATY ANNIVERSARY COMMEMORATED

Soviet Envoy Hosts Soiree

SK050404 Pyongyang KCNA in English 0347 GMT 5 Jul 85

[Text] Pyongyang July 5 (KCNA) -- Nikolay Shubnikov, Soviet ambassador to Korea, gave a reception on July 4 at his embassy on the occasion of the 24th anniversary of the signing of the Soviet-Korean treaty of friendship, cooperation and mutual assistance.

Invited to the reception were Comrade Yi Chong-ok, member of the Political Bureau of the Central Committee of the Workers' Party of Korea and vice-president of the DPRK; Comrade Kim Yong-nam, member of the Political Bureau of the WPK Central Committee, vice-premier of the Administration Council and foreign minister; Comrade O Kuk-rol, member of the Political Bureau of the WPK Central Committee and chief of the General Staff of the Korean People's Army; Comrade Kong Chin-tae, alternate member of the Political Bureau of the WPK Central Committee and vice-premier of the Administration Council; and officials concerned.

The reception was addressed by Ambassador Nikolay Shubnikov. Noting that the signing of the Soviet-Korean treaty of friendship, cooperation and mutual assistance was a significant event in the development of the relations between the two countries, he said that in the past this treaty has reliably contributed to effectively carrying out the social and economic tasks of the two countries, dealing a blow at those who are fond of military adventure and preserving peace in the Far East.

He declared that the friendly and cooperative relations between the two peoples based on the Soviet-Korean treaty of friendship, cooperation and mutual assistance were once again confirmed through the visit to the Soviet Union by Comrade Kim Il-song at the head of a DPRK party and state delegation in May last year.

He noted that the Soviet Union would as ever fully support constructive proposals and initiatives of the DPRK to remove the root cause of the tensions on the Korean peninsula and create conditions favorable to the reunification of the country.

Stating that the Soviet people were well aware of successes the fraternal working people of the DPRK have achieved in their endeavours to carry out the program of the socialist construction set forth at the sixth party congress under the leadership of the Central Committee of the Workers' Party of Korea headed by Comrade Kim Il-song, he wished the Korean working people great success in all domains of socialist construction with the 40th anniversaries of the national liberation and the WPK's founding approaching.

Vice-president Yi Chong-ok spoke next. Referring to the significance of the signing of the Korean-Soviet treaty of friendship, cooperation and mutual assistance, he said today the traditional Korean-Soviet friendship is favourably developing and efflorescing as the days go by, following a new milestone marked in the course of the historical meetings between the great leader Comrade Kim Il-song and the Soviet party and state leaders last year. He expressed the belief that the Korean-Soviet friendship would come into bloom more beautifully with the celebrations of the 40th anniversary of Korea's liberation as an occasion which would demonstrate the indestructible vitality and greatness of the Korean-Soviet friendship to the whole world.

He said: Today the fraternal Soviet people are actively striving to make the national economy intensive, promote the wellbeing of the people and increase the defence power under the leadership of the Communist Party of the Soviet Union headed by Comrade Mikhail Sergeyevich Gorbachev, he wished the Soviet people greater progress in their endeavours to greet the 27th Congress of the CPSU with high political enthusiasm and new success of labour. We will firmly support the positive efforts and peaceloving and just steps of the Soviet party and government to ease the international tension, remove the danger of a thermo-nuclear war and defend world peace and security.

The attendants of the reception raised glasses to the good health and long life of the great leader Comrade Kim Il-song, to the good health and long life of the dear leader Comrade Kim Chong-il, to the good health and long life of respected Comrade Mikhail Sergeyevich Gorbachev and to the good health and long life of respected Comrade Andrey Andreievich Gromyko.

Meanwhile, Genadiy Tarasov, consul of the Soviet General Consulate in Chongjin, gave a film show on July 4.

#### Friendship Meeting Held

SK040425 Pyongyang KCNA in English 0417 GMT 4 Jul 85

[Text] Pyongyang July 4 (KCNA) -- The Committee for Cultural Relations With Foreign Countries and the Central Committee of the Korean-Soviet Friendship Society arranged a friendship meeting Wednesday at the Chollima House of Culture on the 24th anniversary of the signing of the Korean-Soviet treaty of friendship, cooperation and mutual assistance.

O Mun-han, vice-chairman of the Committee for Cultural Relations With Foreign Countries, and Nikolay Shubnikov, Soviet ambassador to Korea, made speeches at the meeting.

The speakers said that on the basis of this Korean-Soviet treaty 24 years old the two countries have constantly developed the friendly and cooperative relations in conformity with the interests of their peoples and the demand of the building of socialism and communism and have striven to check and frustrate the imperialists' policy of aggression and war and jointly defend the revolutionary gains, thereby greatly contributing to preserving peace in Asia and the world.

They pointed out that the indestructible friendship between the two countries legally confirmed by the Korean-Soviet treaty of friendship, cooperation and mutual assistance is developing onto a new higher stage along the landmark provided by the great leader President Kim Il-song's historic visit to the Soviet Union and historic meetings with the Soviet party and state leaders in May last year.

The speakers expressed the belief that the traditional relations of friendship and cooperation between the two peoples would expand and consolidate still further in the spirit of the Korean-Soviet treaty of friendship, cooperation and mutual assistance.

The attendants appreciated a Soviet film. Then cocktail party was given.

#### SOVIET PEOPLE MARK ANTI-U.S. JOINT STRUGGLE MONTH

SK050833 Pyongyang KCNA in English 0815 GMT 5 Jul 85

[Text] Moscow July 3 (KCNA) -- Activities are organized in different parts of the Soviet Union in solidarity with the Korean people on the month of anti-U.S. joint struggle.

A meeting of solidarity with the Korean people was held on July 2 at M.N. Yermolova Theatre in Moscow under the co-sponsorship of the Central Committee of the Lenin Young Communist League of the Soviet Union, the Union of Soviet Societies of Friendship and Cultural Relations With Foreign Countries and the Soviet-Korean Friendship Society. The first secretary of the Moscow Municipal Committee of the Lenin Young Communist League said in his speech:

The visit to the Soviet Union by Comrade Kim Il-song, general secretary of the Central Committee of the Workers' Party of Korea and president of the Democratic People's Republic of Korea, at the head of the DPRK party and state delegation in May last year marked a distinct milestone in the development of many-sided bilateral relations and cooperation between the two parties, countries, peoples and youths. The Soviet people express solidarity with the Korean people in the struggle to drive the foreign troops out of South Korea and peacefully reunify the country on a democratic basis. He condemned the scheme to form a U.S.-Japan-South Korea triangular military alliance and pointed to the arms expansion of the United States in South Korea. The meeting adopted a message to the Central Committee of the League of Socialist Working Youth of Korea.

A solidarity meeting and soiree were held and exhibitions introducing the successes of the Democratic People's Republic of Korea opened in Kazakhstan. A solidarity meeting was also held at "Jorile" shoe-making [words indistinct], the capital of Moldavia. The attendants denounced the U.S. imperialists' aggressive moves against Korea and expressed firm solidarity with the Korean people's struggle for the independent and peaceful reunification of the country.

POLISH ENVOY HOSTS MEETING TO MARK KIM VISIT

SK040437 Pyongyang KCNA in English 0426 GMT 4 Jul 85

[Text] Pyongyang July 4 (KCNA) -- Leon Tomaszewski, Polish ambassador to Korea, arranged a friendship meeting Wednesday at his embassy on the first anniversary of the great leader President Kim Il-song's visit to Poland. Leon Tomaszewski spoke at the meeting.

He said the visit to Poland by Comrade Kim Il-song, general secretary of the Central Committee of the Workers' Party of Korea and president of the Democratic People's Republic of Korea, at the head of a party and state delegation last year was a very important event in the development of relations between the two countries.

The talks held in Warsaw between Comrade Kim Il-song and Comrade Wojciech Jaruzelski, he pointed out, greatly contributed to the strengthening and development of the friendly and cooperative relations between the two countries and of the international communist movement and working-class movement at present stage and defending world peace, he said.

Poland holds that Korea should be reunified peacefully on a democratic principle. supports the proposals of the Democratic People's Republic of Korea to reunify the country through dialogue. The ambassador referred to the successes achieved by the Korean people in various domains over the past 40 years under the leadership of Comrade Kim Il-song and the Workers' Party of Korea, and expressed the belief that Korean friends would register greater success in their endeavours to implement the decisions of the 6th Congress of the Workers' Party of Korea and to increase the might of socialism.

Comrade Kong Chin-tae, alternate member of the Political Bureau of the WPK Central Committee and vice-premier of the Administration Council, spoke next. He said the Polish visit of the respected leader Comrade Kim Il-song in May last year was a historic event which brought to a new higher stage in quality the relations of friendship and cooperation between the two countries and demonstrated to the world the unbreakableness of the friendship and unity of the socialist countries.

He said today the fraternal Polish people are hastening preparations to meet with success the coming Sejm elections and the 10th Congress of the Polish United Workers' Party slated for next year in the spirit with which they crushed the sabotages and subversive moves of the imperialist and domestic counter-revolutionaries and firmly defended the gains of socialism under the leadership of the Polish United Workers' Party headed by respected Comrade Wojciech Jaruzelski. The Korean people sincerely wish the Polish people great success in their future work and express full support and solidarity for their struggle to defend peace and security in Europe, he stated.

The attendees toasted the good health and long life of the great leader Comrade Kim Il-song, the good health and long life of the dear leader Comrade Kim Chong-il and the good health and long life of respected Comrade Wojciech Jaruzelski.

KANG SONG-SAN GREETES HUNGARIAN COUNTERPART

SK031540 Pyongyang KCNA in English 1520 GMT 3 Jul 85

[Text] Pyongyang, July 3 (KCNA) -- Premier Kang Song-san sent a message of greetings to Gyorgy Lazar upon his reelection as chairman of the Council of Ministers of the Hungarian People's Republic.

Expressing the belief that the friendly and cooperative relations between the two countries would continue to be strengthened and developed in the future, the message sincerely wished him great success in his responsible work for the development and prosperity of the country.

Meanwhile, Foreign Minister Kim Yong-nam and Chairman of the Supreme People's Assembly Yang Hyong-sop sent messages of greetings respectively to Peter Varkonyi, foreign minister, and Istvan Sarlos, president of the National Assembly, of the Hungarian People's Republic.

#### ARTICLE ON IMPORTANCE OF MANAGEMENT ACTIVITIES

SK031231 Pyongyang Domestic Service in Korean 2140 GMT 30 Jun 85

[NODONG SINMUN 1 July Special Article: "Management Activities of Enterprises and Profit"]

[Text] It is very important to correctly utilize economic levels in scientifically and reasonably managing and operating the economy in conformity with the demands of the Taean work system. One of the important problems here is for plants and enterprises to properly utilize revenue as well as such levers as cost price, price, and profits.

The great leader Comrade Kim Il-song has taught: We should make all possible efforts to fulfill the state's plan by index without fail by mobilizing and utilizing inner reserves to the maximum and to give more profits to the state and the people by constantly lowering the cost price of production and by increasing the profit of enterprises.

Profit is an important qualitative index showing the effectiveness of management activities at plants and enterprises. In order to continue production at plants and enterprises, we need labor efforts, production facilities, raw materials, fuel, materials, and other necessities. A certain amount of expenditure is required to secure these things.

The management activities of plants and enterprises constitute the process of producing necessary products with funds secured from profits. In the total amount of products produced at plants and enterprises, there are shares allotted to plants and enterprises or net incomes of plants and enterprises, in which the expenses defrayed for the production and sales of products or the cost prices have been excluded. The ratio of the net income of enterprises to the cost prices of products constitutes the profit for enterprises.

Therefore, when plants and enterprises correctly utilize the revenue lever, this means that plants and enterprises correctly plan and organize their enterprise management to increase the net incomes of enterprises while reducing the expenses required in the production and sales of products. Correctly utilizing revenue at plants and enterprises is highly significant in enhancing the material wealth of the country and accelerating its overall economic construction.

Today, with the approach of the 40th anniversaries of the national liberation and the founding of the party, we are waging the vigorous labor struggle to effect a new turn in socialist economic construction. One of the important problems in successfully implementing this vast task is that plants and enterprises must rapidly increase production by utilizing our firm production infrastructure. Proceeding from this, our party has emphasized that all sectors of the national economy should more rapidly produce more products with better quality by finding out and mobilizing all inner reserves to the maximum and by utilizing the existing facilities, materials, and labor efforts.

The struggle to fulfill the economic task assigned to us today is closely related to the work to increase profits at plants and enterprises. Increasing profits at plants and enterprises is precisely synonymous with reducing cost prices. As the cost prices are reduced, the consumption of raw materials, fuel, materials, and labor efforts in production and construction is reduced accordingly. In other words, this results in securing vast production reserves. Therefore, only when plants and enterprises increase profits can their respective vast economic tasks be fulfilled smoothly and can they give more benefits to the state and the people by increasing production with less labor efforts, materials, and facilities.

Today's vigorous demonstration of the vitality of the independent economic accounting system at all production units throughout the country is also closely related to the work to utilize revenue. Increasing profits not only gives benefits to the state but also constitutes a great profit for plants and enterprises themselves. In other words, this makes it possible for plants and enterprises to secure more funds required in more firmly establishing their production infrastructure.

Plants and enterprises are basic production units in the socialist economy. Therefore, the work to strengthen the overall economic infrastructure of the country is achieved only through the strengthening of the production infrastructure of plants and enterprises. Thanks to the chuche-oriented economic construction line of our party and its correct economic policy, today our plants and enterprises have been strengthened with modern production facilities and necessary production processes. However, we should continuously push ahead with the work to strengthen the production infrastructure. To this end, we should secure more funds.

The funds required for strengthening the production infrastructure at plants and enterprises can be secured through the increase of profits by these plants and enterprises. When profits at plants and enterprises increase, the net incomes of these plants and enterprises also increase, and accordingly, the funds required for the development of technology increase. Therefore, when plants and enterprises properly carry out their management activities they can also secure more funds required for their technological improvement and innovation.

In our country today, the struggle to make the national economy chuche-oriented, modernized, and scientific is being vigorously carried out. This struggle can be more vigorously carried out only when plants and enterprises secure the funds required for strengthening the chuche-oriented industry, for constantly modernizing technology and facilities, and for making their production activities scientific and when they actively utilize these funds. Increasing profits at plants and enterprises is also important in improving the enriching the living standard of the working people by securing more funds required for improving cultural and public welfare facilities.

Our working people, who have become the masters of the sovereignty of the state and the means of production, are now waging creative production activities at all plants and enterprises. In order to make the working lives of the people more honorable and rewarding, it is important not only to free them from difficult and arduous work but also to constantly improve cultural and public welfare work. The funds required for the improvement of cultural and public welfare facilities for the working people can be secured precisely from the net incomes of plants and enterprises. In other words, a considerable portion of the net incomes of enterprises are utilized for this purpose.

Today, our party has made all possible efforts to create an abundant, rich, and happy life for the people. In recent months alone, the dear Comrade Kim Chong-il has taken new steps to further improve the living standard of our working people.

These new steps have reflected his lofty intent to promote the living standard of the working people, including their work and cultural lives.

In order to more properly reflect the party's love and concern for the working people and to make the working people lead their lives in conformity with the demands of the developing reality, plants and enterprises should secure more funds by properly and correctly carrying out their management activities. This makes it possible for all working people to lead more abundant and happy lives while highly displaying their voluntary zeal and creative optimism in production and construction.

Increasing profits at plants and enterprises is by no means a difficult task. When plants and enterprises properly plan and organize their economic and technological work by utilizing the existing production potential and technology, they can easily increase their profits. However, the problem is the attitude of our working people and functionaries toward this task. Economic guidance functionaries should thoroughly and minutely carry out their production organization work so as to increase profits with the awareness of being guiding members of the revolution. At the same time, producers should make all possible efforts to economize their raw materials, fuel, and materials with the thorough stand of being the masters of the country and the masters of the plants. Thus, they should contribute to increasing profits for the country and to effecting new upsurges in production and construction.

#### EDITORIAL ON PERFORMANCE OF THREE REVOLUTIONS

SK03111 Pyongyang Domestic Service in Korean 2133 GMT 1 Jul 85

[NODONG SINMUN 2 July editorial: "Let Us, the Working Class, Take the Lead in Carrying Out the Three Revolutions"]

[Text] The working class and workers throughout the country are effecting a new turn in carrying out the three revolutions -- ideological, technological, and cultural -- with the 40th anniversaries of national liberation and the founding of the party approaching. In particular, the working class of Komdok is fiercely fanning the flames of the three revolutions, upholding the honorable task assigned by the dear Comrade Kim Chong-il through his on-the-spot working guidance 10 years ago. We should continue to consolidate and develop achievements attained in implementing the three revolutions.

The working class is a leading class of the revolution. Helping it take the lead in carrying out the three revolutions is our party's consistent principle. Today's reality, in which the struggle to realize the great 10 prospective goals for the socialist economic construction of the 1980's is being waged in the midst of a complicated and strained situation prevailing in the country, demands that the working class advance more powerfully, taking the lead in implementing the line of the three revolutions. An important guarantee to enable the country to overflow with a brisk revolutionary spirit and passion and for incessantly creating exploits in production and construction lies in the dynamic struggle waged by the working class to carry out the three revolutions.

The great leader Comrade Kim Il-song has taught: By vigorously pushing ahead with the technological and cultural revolutions while at the same time giving firm priority to the ideological revolution, we should effect an epochal turn in the work of revolutionizing working classizing, and intellectualizing all members of society and of making the national economy chuche-oriented, modernized, and science-oriented. The most important thing in accelerating the three revolutions is successfully carrying out the work of increasing a revolutionary spirit among the working class.

The revolutionary spirit of our country's working class is high. When the revolution assumes a protracted and arduous nature and heavy revolutionary tasks continue to arise, however, it is important for the working class to firmly establish a revolutionary world outlook and continue to successfully conduct the work of increasing its revolutionary spirit.

With the invincible revolutionary spirit of overcoming difficulties with its own strength without hesitating or shaking under any adverse circumstances, the working class should solidly prepare itself to be a class of genuine revolutionary fighters, continuously implementing the party's policy. The working class should solidify its stand and resolve to invariably carry out the revolution to the end no matter how much time may pass and how much the living environment may change. Also, it should highly display the revolutionary mettle of thoroughly carrying out the assigned revolutionary tasks with the spirit of self-reliance and fortitude.

In particular, the working class of a new generation, which has not gone through the grim ordeals of the revolutionary struggle, should continuously discipline and train itself in order to possess the firm revolutionary conscientiousness of defending and safeguarding the party and the leader generation after generation with an invincible revolutionary spirit and of upholding the party's intention.

The party organizations should make the working class uphold the party's cause with the spirit of crossing the river of arduous shellfire and walking along a muddy road by strengthening ideological indoctrination and training among the working class and, in particular, by substantially carrying out indoctrination work through the live examples of the anti-Japanese revolutionary martyrs and the heroic fighters during the period of the Fatherland Liberation War.

Precious successes in technical innovation have been attained by the working class of our country. Through valuable devices and inventions for technical innovation, worker-inventors and pioneers in technical innovation have contributed to making the national economy chuche-oriented, modernized, and science-oriented and have greatly benefited the country. All workers should beat their brains for technical innovation and energetically continue to study with a high sense of responsibility and belief that contributing to the party and the revolution by raising more than one suggestion for technical innovation and rationalization is a lofty duty of the working class. In particular, they should valiantly wage the struggle for technical innovation, eliminating technological mysticism and conservatism with boldness rendered by our party.

Today when passion for technical innovation is increasing among the working class, it is important to substantially carry out organizational and guidance work for the movement for mass technical innovation. The experience of the advanced units which have given good guidance to technical innovation shows that it is important for responsible functionaries to plan and coordinate work with every worker, including technicians, to enable them to struggle to achieve the goals for technical innovation, to support the technical initiatives of the masses, and to actively bolster organizational work for their realization.

Plants and enterprises should help the masses adhere to the movement for technical innovation with high zeal by correctly organizing creative cooperation between workers and engineers and by arranging meetings to study technology, discuss technical innovation, and exchange experience, and exhibitions of technical innovation. In particular, they should concentrate great efforts on the work of applying new technology to production.

The working class, the most advanced and cultural class, is assigned the mission of also setting examples in carrying out the cultural revolution. As delineated by the dear Comrade Kim Chong-il, helping to create a revolutionary culture among a huge group of working class and popularize it in urban and rural areas is an inevitable course of cultural development in the socialist society in which the working class has become masters.

Our party put forth the question of elevating the level of the general knowledge of all social members onto a higher stage within a few years as an important matter in order to realize the policy of intellectualizing the entire society put forward at the sixth Party Congress. To carry out this task, the working class should be the first to conduct work with books. The working class should read many books with high zeal for reading and constantly improve the level of their general knowledge and technology on the basis of the educational system of learning while working.

Along with this, the working class should vigorously wage the struggle to establish tidiness in production and living. The work of establishing tidiness in production and living is a project which the workers should extensively carry out with the attitude of being masters. Our workers should carry out all production activities, in a tidy manner, cleanly take care of their plants and working sites, and dress themselves well in modern aesthetic attire.

It is important to study, work, and rest in a moderate manner. Our workers should improve efficiency in hourly production by organizing their working life well, thus also studying and resting, and conducting their cultural life well. The party organizations and functionaries of plants and enterprises should see to it that by rationalizing working organizations, the party's benevolence of helping workers labor and rest in a tidy manner can reach them.

The working class should take the lead in vigorously conducting the movement to win the red flag of the three revolutions. With high zeal, the working class should normally push ahead with this movement and, in particular, renew goals, which it has resolved to attain, in conformity with demands and realize them in their work and life every day and every hour.

Many plants, enterprises, and units have already won red flags of the three revolutions. These units should consolidate and develop the already attained successes and dynamically wage the struggle to win double- and treble-red flags of the three revolutions.

What is important in carrying out the movement to win the red flag of the three revolutions is firmly adhering to and persistently pushing ahead with the work of resolving the questions arising from the policy set forth by the party and the leader.

Our working class has set better goals so that the course of conducting the movement to win the red flag of the three revolutions is a path of consolidating and developing the already launched mass movements, including the movement to take care of native lands, and it should thoroughly realize them.

The party organizations should highly assess the units, which have won red flags of the three revolutions, and actively organize training in practical work methods, work through the observation of working sites, and the like in conformity with actual conditions, thereby increasing social and political interest in the movement.

ASSEMBLY RECEIVES NORTH'S MESSAGE ON N-S TALKS

SK050826 Seoul YONHAP in English 0820 GMT 5 Jul 85

[Text] Seoul, July 5 (OANA-YONHAP) -- A preliminary meeting for the planned inter-Korean parliamentary conference will be held on July 23 in Panmunjom, the South Korean National Assembly announced on Friday.

The assembly reported that it received a message earlier in the day from Pyongyang agreeing to Seoul's recent proposal to hold the meeting on July 23. In the message, the North Korean Supreme People's Assembly said that its representatives would enter the conference room of the Neutral Nations Supervisory Commission in Panmunjom at 10 A.M. on that date. Speaker Yang Hyong-sop of the North Korean Assembly sent the response to Speaker Yi Chae-Hyong of South Korea's National Assembly.

In a counterproposal on June 28, Seoul suggested that the preliminary meeting be held in Panmunjom on July 23 and that five lawmakers and four attendants from each side participate in the meeting. Pyongyang had suggested early that the preliminary meeting be held on July 9.

PAPER ANALYZES PROGRESS IN INTER-KOREAN TALKS

SK050058 Seoul THE KOREA HERALD in English 5 Jul 85 p 4

[Text] Have south and north Korean relations entered a new phase as a result of the on-going series of inter-Korea talks? Will the talks fare well or end up as a nine days' wonder?

The 13th anniversary of the issuance of the South-North Joint Communique makes these questions significant. Simultaneously announced in Seoul and Pyongyang at 10 a.m. 13 years ago yesterday, the joint communique electrified the whole world. The communique brought a turning point in inter-Korean relations. It kept a hope for national unification burning in the hearts of all Koreans, until Pyongyang unilaterally declared the suspension of south-north talks Aug. 28, 1973.

South Korea had made persistent efforts to revive the stalled talks, making a series of proposals. North Korea, however, had turned a deaf ear to south Korea's overtures. Since that time, both sides have greeted the anniversary of the issuance of the communique by exchanging strongly-worded statements. In the meantime, the detailed contents of the epoch-making statement fell into oblivion in the minds of many Korean people.

In its preamble, the communique read, "With the common desire to achieve peaceful unification of the fatherland as early as possible, the two sides in these talks had a frank and open-hearted exchange of views and made great progress in promoting mutual understanding."

In an effort to remove misunderstanding and mistrust and mitigate increased tension and expedite national unification, the two sides made a seven-point agreement.

First, unification should be achieved by independent efforts and peaceful means, transcending differences in ideas, ideologies and systems.

Second, both sides should neither defame and slander one another nor undertake armed provocations against one another.

Third, both sides should promote mutual exchanges in many areas.

Fourth, the two sides should cooperate positively with each other to seek an early success of the South-North Red Cross Conference.

Fifth, both parties should install and operate a direct telephone line between Seoul and Pyongyang.

Sixth, both sides should create and operate a South-North Coordinating Committee to settle all inter-Korean problems.

Seventh, both sides should faithfully carry out these agreements.

Working-level officials of south and north Korea had a series of secret backstage negotiations before producing the joint communique. After these preparatory steps, Yi Hu-rak, accompanied by three aides, visited Pyongyang May 2, 1972. Yi was director of the Korean Central Intelligence Agency.

During his meeting with Yi, Kim Il-song, leader of north Korea, acknowledged the attempted raid on Chongwadae by commandos of the north Korean army's 124th Unit Jan. 21, 1968. Kim was quoted as saying, "Please tell President Pak...What was the incident?.... Chongwadae incident it is called...That was an incident about which we feel very sorry. It was an action perpetrated entirely by leftist radical elements inside our society, and did not reflect in any way the will of the Party."

All these developments were enough to make the Korean people believe that real progress was being made toward the easing of tension between the divided halves and the eventual unification of the nation. However, a pall began to fall over prospects for improved inter-Korean relations when both sides showed differences over the interpretation of the contents of the communique.

In construing the principles of national unification, south Korea insisted that no change be made in its position that national unification should be achieved by holding a general election under the supervision of the United Nations. North Korea, on the other hand, asserted that the principles reflected that south Korea agreed to Kim Il-song's approach to national unification. While holding talks with south Korea, the north Korean Communists were digging tunnels in the Demilitarized Zone for invasion purposes. The Communist north Korean regime apparently sought to take advantage of the inter-Korea talks as a form of disguised peace offensive designed to ensure the withdrawal of the U.S. troops from Korea.

Now, south and north Korea have resumed talks, making some people hopeful that both sides will make substantial progress in their relations. Working-level Red Cross officials from south and north Korea are scheduled to meet in Panmunjom July 15 to discuss the proposed exchange of visitors and art troupes. South and north Korea are also supposed to hold economic talks in September. Unusually enough, north Korea refrained from slandering south by issuing a statement yesterday.

These phenomena may be interpreted by hasty optimists as a good sign that the ongoing inter-Korea talks will be successful. However, past experiences show that the success of the talks between south and north Korea depends on the degree of sincerity and humanitarian spirit with which north Korea pursues the talks.

NKDP CRITICIZES ECONOMIC AGREEMENT WITH U.S.

SK040839 Seoul YONHAP in English 0834 GMT 4 Jul 85

[Text] Seoul, July 4 (YONHAP) -- South Korea's major opposition New Korea Democratic Party (NDKP) Thursday criticized the government for reaching an agreement with the United States to open up Korea's financial and insurance markets and to protect U.S. intellectual property rights.

Commenting on the Korean-U.S. economic meeting, held July 1-2 in Washington, NKDP Spokesman Hong Sa-tok said, "We cannot but be astonished by the fact that our delegation agreed on a conclusion that may lead to the virtual subjugation of the Korean economy to the U.S. economy."

In agreeing to open Korea's financial markets at a time when the nation is suffering from foreign debts totaling 50 billion U.S. dollars, "the Korean delegates forgot what they ought to do as Korean citizens," Hong said.

KISSINGER MEETS DJP CHAIRMAN, PRESIDENT CHON

SK042200 Seoul YONHAP in English 0813 GMT 4 Jul 85

[Text] Seoul, July 4 (YONHAP) -- The Soviet Union will probably compete in the 1988 Summer Olympics, scheduled to be held here, Henry Kissinger, former U.S. Secretary of State, said Thursday.

At a meeting with No Tae-u, chairman of South Korea's ruling Democratic Justice Party (DJP), Kissinger also said that the Soviet Union will try to avoid inconvenient relations with Western nations in order to devote itself to economic stability. He said he expects the Soviet Union's new foreign minister, Eduard Shevardnadze, to be stubborn in strategy but flexible in tactics, noting that his predecessor, Andrey Gromyko, was stubborn in tactics but flexible in strategy.

No said that although the political circumstances in Korea have been complicated, the Korean people, who enjoy a relatively high educational standard, will judge those circumstances wisely.

Later in the day, Kissinger paid courtesy calls on Korean President Chon Tu-hwan at Chongwadae, the presidential mansion, and other leading government officials.

Kissinger arrived here Wednesday for a three-day visit at the invitation of Chong Chu-yong, chairman of the Federation of Korean Industries.

KOREA HERALD REACTS TO 'KREMLIN SHAKE-UP'

SK040224 Seoul THE KOREA HERALD in English 4 Jul 85 p 4

[Editorial: "Kremlin Shakeup"]

[Text] Soviet leader Mikhail Gorbachev who has been in power less than four months is strengthening his grip on power in the Kremlin at a surprisingly fast pace.

His bold move to reshuffle the Soviet hierarchy climaxed this week with the removal of his one-time political rival Grigoriy Romanov from the ruling Politburo of the Communist party and the election of longtime Foreign Minister Andrey Gromyko to the presidency. Gorbachev appointed one of his strong supporters, Eduard Shevardnadze, to be the new foreign minister. Also noteworthy is the appointment of his close ally Yegor K. Ligachev, who was brought into the Politburo barely three months ago, to the party's No. 2 post as its chief ideologist.

Such a breakup in the Kremlin leadership had been foreseen since Gorbachev began promoting some of his own men to the Politburo and reshuffling cabinet ministers and central and provincial party secretaries soon after he took power.

What we are particularly concerned about at this juncture is how these changes in the Kremlin leadership will affect Soviet foreign policy.

We note with interest that Gorbachev, in naming Gromyko as the largely ceremonial head of state rather than assuming the post himself, made it clear that he wanted to concentrate his energy now on economic and other domestic reforms. It is thus expected that, although Gorbachev is certain to keep a firm hand also on foreign policy, Gromyko with his long experience and knowledge will play an important role as senior diplomatic adviser, at least for the time being.

New Foreign Minister Shevardnadze, who has no experience in foreign affairs, is unlikely to effect major shifts in Soviet foreign policy for some time. We can expect, however, some change in the style of Soviet diplomacy. For Shevardnadze is known to be an intelligent, amiable and good public relations man, like Gorbachev, in sharp contrast to Gromyko's grim, "stone-face" image.

Nevertheless, our government should be well prepared to cope with any change in Soviet foreign policy in the future, especially its policy toward North Korea that may affect the power balance on the Korean peninsula.

YI MIN-U, NO TAE-U DISCUSS AMNESTY, ASSEMBLY

SK050745 Seoul YONHAP in English 0727 GMT 5 Jul 85

[Text] Seoul, July 5 (YONHAP) -- No Tae-u, chairman of South Korea's ruling Democratic Justice Party (DJP), and Yi Min-u, president of the main opposition New Korea Democratic Party (NKDP), have agreed to hold a special full session of the National Assembly later this month to deal with labor disputes and economic issues.

The agreement came after the two political leaders met here on Wednesday evening to exchange a wide range of views on such pending political matters as the extension of amnesty to and the restoration of civil rights for dissident leader Kim Tae-chung. The DJP leader was quoted Friday as saying that a good political atmosphere should be created in resolving the issue of Kim Tae-chung.

In two hours of discussion at a hotel here, the two leaders touched upon the controversial issue of establishing a constitutional amendment, the possible arrangement of an exclusive meeting between Korean President Chon Tu-hwan and the NKDP president, and the scheduling of another possible three-party meeting involving Chon, Kim and another dissident leader, Kim Yong-sam. They also exchanged views on the recent campus unrest in Korea. No was quoted as saying that his party and the government will achieve a peaceful transfer of power in 1988 by firmly complying with the existing constitution, which stipulates a single seven-year term for the president. The creation of a good political atmosphere should precede the scheduling of any talks between Chon and Yi, No said.

Rep. Hong Sa-tok, NKDP spokesman, said that the meeting Wednesday was arranged at the request of the DJP chairman. According to Hong, Yi suggested during the meeting that he and Chon have heart-to-heart talks at a high-level political forum at an earlier date, in order to settle pending political issues. Yi also demanded that the extension of amnesty to and the restoration of civil rights for Kim be achieved without failure, in order to bring all political forces onto the stage of the National Assembly, Hong said. Yi clarified his party's positions on amending the existing basic law to elect the president through direct and popular vote, on labor disputes and on campus disturbances, Hong added. The NKDP leader told reporters Firday that he will invite No to discuss the overall political situation in detail around July 10.

PARTIES MAKE CONFLICTING DEMANDS ON LABOR ISSUE

SKO40200 Seoul THE KOREA TIMES in English 4 Jul 85 p 1

[Text] The rival lawmakers on the National Assembly Health-Social Affairs Committee yesterday made conflicting demands to the government for the solution of ever-deteriorating labor disputes.

Opposition lawmakers of the New Korea Democratic Party (NDP) called for the formation of a five-member ad hoc subcommittee to examine the latest series of labor protests. They then demanded the resignation of Labor Minister Cho Chol-kwon and other relevant officials assuming responsibility for the forced breakup of the strike at the Daewoo Apparel Co. last week.

They also called for the presence of Home Minister Chong Suk-mo to hear the truth about what they claimed as police assistance in the dispersal of the sit-in at Daewoo Apparel. In particular, the NDP members asked the government to introduce the West German system of "labor court," designed for prompt solution of labor disputes. They also stressed the need for the revision of various labor-related laws and regulations in order to insure minimum survival wages for workers and freer activities of labor unions. Other opposition demands included the release of workers jailed in connection with recent protest moves and corporal punishment of enterprisers committing unfair labor practices.

Rep. Ho Kyong-man of the NDP contended that labor problems had recently become more serious as a result of easy-going attitudes on the part of employers who had run their businesses in disregard of the three major rights of laborers during the 1970s.

Lawmakers of the ruling Democratic Justice Party (DJP) asked the government to work out an institutionalized device for the elimination of the so-called "disguised employment" of college-educated labor activists. Their demand came after Labor Minister Cho reported to the house panel that a total of 160 people were found to have joined enterprises in Seoul and its vicinity this year as blue-collar workers after falsifying their school backgrounds. The DJP members also called for drawing up of government measures to revitalize the labor unions and insure closer cooperation between workers and their employers.

Rep. Im Chong-ki of the NDP grilled Minister Cho why the Labor Ministry led the police to be involved in the labor disputes, contending that the laborers' right to strike in a peaceful and sound manner should be guaranteed.

Rep. Sim Wan-ku of the same opposition party asked the minister if there have been genuine labor policies for the cause of laborers' interest in the country. If there are any administrative organs to deal with the labor problems, they are the Agency for National Security Planning (NSP) and the Ministry of Home Affairs, Sim argued.

Another NDP member Rep. Kim Yong-pae asked Minister Cho whether the forced breakup of Daewoo Apparel workers by their non-unionist colleagues did not constitute an illegal act. He also asked if the government had intention to work out a reasonable labor policy for the welfare of workers, boldly departing from its previous policy of relying on physical force for the solution of labor disputes.

Rep. Kim Chong-nam of the ruling Democratic Justice Party (DJP) contended that student movements must not spread to industrial sites under any circumstances.

TRADE MINISTER ANNOUNCES NEW EXPORT PROCEDURES

SK040220 Seoul THE KOREA HERALD in English 4 Jul 85 p 3

[Text] Merchandise exports of less than \$10,000 in value will be exempted from the mandatory quality inspection and export license effective Sept. 1 this year. Also exempt from local quality inspection will be companies that are authorized to carry internationally accepted quality assurance marks on their products or those goods acquiring buyers' prior quality endorsement. At the same time, companies importing raw materials for reexport purposes will be free from depositing "collateral funds" with banks from September. At present, business concerns must deposit the margin equivalent to 10 percent of import value with banks at the time of import letter of credit opening.

These are among the highlights of a set of export procedure-simplification measures Minister of Trade and Industry Kum Chin-ho unveiled at a press conference yesterday.

Noting that at present, a total of 561 export items are subject to local quality inspection prior to shipment, Minister Kum stated that export-related paperwork will be drastically streamlined beginning in September, which he said will help enhance the international competitive power of Korean-made products.

Kum also disclosed that a new customs refund system will be applied to export shipments of less than \$20,000 in value effective September 1. Under the new system, he said, firms could have customs refunded on the spot simply by presenting their export license to the customs office. A pre-set, unified refund rate will be levied to ensure a quick refunding to exporters, thus departing from the hitherto complicated case-by-case system, he explained. Any big margins between unified rate imposition and that of case-by-case will, after close examination, be compensated to exporters, Kum also explained. Some 72 percent of the total exports made from imported raw materials will benefit from the new customs refund system, he added.

Minister Kum also revealed that foreign buying offices in Korea will be allowed to do a small amount of export business to help local small and medium industry export more products. The streamlined export procedures will also include a cut in the export-related service charge imposed by banks. For example, Minister Kum noted, the service charge which exporters are obliged to pay to customs offices will soon be lowered to a more "reasonable level" from the current imposition of 0.15 percent of the export amount.

Other steps in export-import procedure streamlining include:

- Those firms wishing to import raw materials for reexport will be free from presenting papers specifying required raw materials to banks at the time of the opening of import letters of credit.
- The hitherto public organizations' confirmation of firm offer sheets, issued overseas, will be waivered.
- Exporters will be free from submitting promissory notes to banks when they apply for export financing loans.
- More export-support funds will be extended to those firms with "good export achievements" regardless of pre-set loan ceilings to them.

Minister Kum said that the nation's exports during the latter half of the year are expected to rebound from a sluggish performance in the first half thanks to improvements in the world market environment.

HUN SEN GREETS NEW SOVIET FOREIGN MINISTER

BK050509 Phnom Penh SPK in French 0410 GMT 5 Jul 85

[Text] Phnom Penh, 5 July (SPK) -- Hun Sen, chairman of the Council of Ministers and PRK foreign minister, sent warm congratulations to Eduard Shevardnadze on the occasion of his election to the post of foreign minister of the Soviet Union.

In his message, Hun Sen said he is convinced that, as in the past, the relations of fraternal friendship and close multiform cooperation between the two countries will further develop and be strengthened. He wished the new chief of Soviet diplomacy great success in carrying out his new and high function to safeguard universal peace and defend the interests of the socialist community in the face of current world tension caused by the nuclear and space arms race of U.S. imperialism.

HENG SAMRIN CONGRATULATES GROMYKO ON ELECTION

BK050606 Phnom Penh SPK in French 0405 GMT 5 Jul 85

[Text] Phnom Penh, 5 July (SPK) -- Heng Samrin, general secretary of the KPRP Central Committee and chairman of the PRK State Council, sent warm congratulations to Andrey Gromyko on the occasion of his election to the post of president of the USSR Supreme Soviet Presidium. In his message, Chairman Heng Samrin said:

Your election to this function responds, on the one hand, to the will of the Soviet Communists and people as well as the peace-loving progressive forces the world over and, on the other hand, to your personal merits. Being an eminent Marxist-Leninist, a proven internationalist, and a famous personality among the Soviet leaders fighting for peace and socialism, you have thus brought a considerable contribution to the cause of the revolution of the Indochinese nations, particularly to that of the Cambodian revolution. We are convinced that on the basis of authentic Marxism-Leninism and proletarian internationalism, the Cambodia-USSR relations of friendship and cooperation as well as the solidarity between the three Indochinese countries and the Soviet Union will always further strengthen in a way that no force will be able to harm them.

May I be permitted to take the opportunity of this happy occasion to reiterate the full support of the party, government, and people of the PRK for the consistent struggle full of peace initiatives of the USSR aimed at averting a nuclear catastrophe and for the happiness of mankind, said the message, which concluded by saying: We wish you, dear Comrade Andrey Gromyko, many more successes and much energy in the accomplishment of your highly responsible task for the well-being of the people and for a peaceful and durable future of mankind.

VONADK VIEWS REASONS FOR LE DUAN'S MOSCOW VISIT

BK040540 (Clandestine) Voice of the National Army of Democratic Kampuchea in Cambodian 2315 GMT 3 Jul 85

[Text] Gorbachev, top Soviet leader, held talks with Le Duan on 29 June and promised to provide Vietnam with more economic aid. In the diplomatic and political fields, the Vietnamese and the Soviets will continue to take common measures in staging more new activities to improve their isolated situation due to the international community's condemnation of their aggression in Cambodia and Afghanistan. Various observers noted that Le Duan visited Moscow because the Vietnamese have encountered many more difficulties and are bogged down on the Cambodian battlefield. Furthermore, they need more military and economic aid from the Soviet Union. On the international scene, the Vietnamese have met many more serious difficulties on the political and diplomatic fields. In particular, the Vietnamese want advice from their Soviet boss on what they should do at the forthcoming UN General Assembly session as they have been increasingly condemned by the international community on the Cambodian problem.

PHOUN SIPASEUT GREETS SHEVARDNAZE'S APPOINTMENT

BK040714 Vientiane Domestic Service in Lao 0500 GMT 4 Jul 85

[3 July message from LPDR Foreign Affairs Minister Phoun Sipaseut to USSR Foreign Minister Eduard Shevardnadze]

[Text] Beloved comrade:

On the occasion of your appointment as foreign minister of the USSR, on behalf of the Government and the Foreign Affairs Ministry of the LPDR and in my own name, I would like to extend my sincere congratulations and best wishes to you, comrade. I am convinced that with your rich experience, knowledge, and wisdom, you will invigorate the Leninist foreign policy of the Soviet party and state to contribute to strengthening the solidarity and cohesion of the socialist community in the struggle against the arms race and for peace and security of all countries and international cooperation.

Satisfied with the long-standing friendship relations and all-round cooperation between the LPDR and the USSR, particularly between the LPDR Foreign Affairs Ministry and the USSR Foreign Ministry, I strongly hope to cooperate with you, comrade, in the interest of peace and socialism.

May you, comrade, have good health and score yet new greater achievements in fulfilling your noble tasks.

[Dated] Vientiane, 3 July 1985 [Signed] Phoun Sipaseut, vice chairman of the Council of Ministers and foreign affairs minister of the LPDR

SOUPHANOUVONG CONGRATULATES GROMYKO ON ELECTION

BK031433 Vientiane Domestic Service in Lao 1400 GMT 3 Jul 85

[3 July congratulatory message from LPDR President and SPC Chairman Souphanouvong, to Andrey Gromyko, chairman of USSR Supreme Soviet Presidium]

[Text] On your election, comrade, as chairman of USSR Supreme Soviet Presidium, on behalf of the LPDR Supreme People's Council and in my own name, I would like to extend my sincere congratulations and best wishes to you.

Your election to the highest position of the Soviet state testifies to the trust of the Soviet party, state, and people in you. We know you, comrade, very well as a great diplomat and an outstanding political activist of the Soviet party and state as well as of the international communist and workers movement, who has contributed to increasing the strength and raising the position and role of the USSR in the international arena and in the world-wide struggle for peace, friendship, and cooperation. We firmly believe that with your rich experience and skills, you will continue to lead the Soviet state to fulfill the tasks of developing and building developed socialism for the well-being of the Soviet people.

I would like to take this opportunity to wish that the fraternal relations of friendship, militant solidarity, and all-round cooperation on the basis of Marxism-Leninism and proletarian internationalism between the two parties and states and the peoples of Laos and the Soviet Union, which are already based on a firm foundation, will be further developed and bear more fruits in the common interest of the peoples of the two countries, for the strength of the socialist community, and far world peace. I wish you comrade, good health and new greater achievements in fulfilling your esteemed tasks.

[Dated] Vientiane, 3 July 1985 [Signed] Souphanouvong, president of the LPDR and chairman

PRESIDENT, MINISTER GREET U.S. COUNTERPARTS

BK041226 Vientiane KPL in English 0918 GMT 4 Jul 85

[Text] Vientiane, July 4 (OANA-KPL) -- Souphanouvong, president of the Lao PDR has sent a message of greetings to R. Reagan, president of the USA, on the occasion of U.S. Independence Day. The message writes:

"On behalf of the Lao people and on my own behalf, I would like to express to you, the American Government and people my best congratulations and wishes on the occasion of the celebration of the Independence Day of the United States of America."

On the same occasion, Foreign Minister Phoun Sipaseut also sent a congratulatory message to Secretary of State George Shultz of the USA. The Lao minister hopes that the relations between the two countries will continue to improve for the interest of the two peoples and for peace, stability in Southeast Asia and in the world.

PASASON MARKS ANNIVERSARY OF CAMBODIAN PARTY

BK011345 Vientiane KPL in English 0904 GMT 1 Jul 85

[Text] Vientiane, July 1 (OANA-KPL) -- The daily PASASON today devotes its leading article to the commemoration of the 34th founding anniversary of the People's Revolutionary Party of Kampuchea (June 28), it says: The PRPK, a genuine Marxist-Leninist party originating from the Indochinese Communist Party of the great President Ho Chi Minh, has overcome all trials in the past 34 years and gained its prestige from its victorious struggles against the French colonialists, the U.S. imperialists, the Beijing hegemonists and expansionists and their henchmen. The overthrowing of the Pol Pot genocidal regime in 1979 was a significant victory testifying to the patriotism and heroism of the Kampuchean people.

The achievements obtained by the Kampuchean people under the guidance of the PRPK have greatly inspired their fighting spirit and contributed to the consolidation of the special solidarity and all-round cooperation among the Lao, Vietnamese and Kampuchean peoples, and to the cause of peace, national independence, democracy and social progress in the world.

The recent glorious victories in dismantling the strongholds of the Polpotist and other Khmer reactionary gangs constitute a concrete evidence of the Kampuchean people's firm determination to safeguard their cause of national revival.

No evil force can check the Kampuchean people from advancing upon the path they have chosen, the paper underlines. It goes on: The strengthening of the special alliance among the parties, governments and peoples of the three Indochinese nations is a vital factor determining the success of the national defence and construction in the three countries. The growing prestige enjoyed by the PRK on the international scene is also indicative of the development of the socialist community, and increasing solidarity and cooperation between the three Indochinese countries and the Soviet Union and other socialist countries, the paper concludes.

SRV EMBASSY SPOKESMAN CITED ON MIA TALKS

BK040202 Bangkok THE NATION in English 4 Jul 85 p 3

[Text] A U.S. mission of technical experts left for Hanoi yesterday to resume discussions on accounting for Americans still missing in action from the Vietnam war, a U.S. Embassy official said. The official said Paul Mather, chief Bangkok representative of the Honolulu-based Joint Casualty Resolution Centre, led the six-member team for talks with Vietnamese officials, which are scheduled to end Saturday. The current meeting is one of six annual sessions between the two sides to discuss the issue of 2,500 American MIAs in Indochina. Hanoi had postponed a scheduled meeting in June, the official said. Most of the past meetings have been routine exchanges of information and discussions about the MIA issue. But there have been indications that Vietnam might allow the Americans to inspect some crash sites where Americans were killed in the Vietnam war.

A spokesman of the Vietnamese Embassy here said yesterday he did not expect anything special from this week's meeting. "Not during this trip," he said, when asked if the U.S. team would be allowed to tour crash sites.

So far, Vietnam has turned the remains of 60 missing Americans over to the United States. Vietnam claims it is doing its best to resolve the MIA issue on a "humanitarian basis" while some American officials accuse Hanoi of "dragging its feet" and not doing enough to render a complete accounting of the missing.

SITTHI INTERVIEWED ON PROXIMITY TALKS, GROMYKO

BK031445 Bangkok Domestic Service in Thai 1300 GMT 3 Jul 85

[Text] Foreign Minister Air Chief Marshal Sitthi Sawetsila granted an interview to newsmen at the Parliament Building today. He said that during his recent visit to the PRC, he held talks with Chinese leaders on the problem of Cambodia. China agreed with ASEAN that Vietnamese attacks on CGDK forces near the Thai-Cambodian border have no effect as CGDK forces can still penetrate deep inside Cambodia and Vietnam will have to bear a heavier burden of the fighting in the future.

Asked about the visit to the USSR by Vietnamese party leader Le Duan, Air Chief Marshal Sitthi said Vietnam might have felt insecure about continued Soviet support and assistance given the news of meetings between China and the Soviet Union. Asked about progress in the proximity talks plan, the foreign minister said that talks might be held between the CGDK and Vietnam with Malaysia, which initiated the idea, acting as mediator. He said Thailand has nothing to do with whether Vietnam will bring the Heng Samrin regime into the talks. Asked about reports that Prince Sihanouk is reluctant to have the CGDK hold talks with the Heng Samrin side, Foreign Minister Sitthi said Prince Sihanouk felt that talks with Heng Samrin would be tantamount to recognizing the Heng Samrin regime and also changing the status of the fighting in Cambodia from that between the Cambodian people and Vietnam to that of a civil war. Air Chief Marshal Sitthi said the proximity talks on Cambodia are expected to be held after the ASEAN meeting -- if Vietnam accepts the proposal. If Vietnam does not accept the proposal, it means Vietnam is not sincere in seeking settlement to the problem through negotiations.

Asked about the election of Andrey Gromyko as the new Soviet president, Air Chief Marshal Sitthi said it is to be hoped there will be something new in Soviet foreign policy, especially if there is to be progress in the meeting of superpowers on disarmament. This would be of great benefit.

**Sees USSR Policy Changes**

BK040222 Bangkok BANGKOK POST in English 4 Jul 85 p 7

[Text] Positive changes in Soviet foreign policy were predicted yesterday by Foreign Minister Sitthi Sawetsila with the emergence of the new Soviet leadership.

Commenting on the elevation of Foreign Minister Andrey Gromyko to the presidency, ACM [Air Chief Marshal] Sitthi said that when he was in China earlier this week, Chinese leaders with whom he had met had anticipated the move, reasoning that Gromyko was instrumental in securing Mikhail Gorbachev the post as leader of the Communist Party. He said he believed Gromyko would take control of Soviet foreign policy and expected some changes in it.

ACM Sitthi added that he would like to see the super powers stop engaging in an arms race and come together toward closer cooperation. He added that Thailand would like to have better relations with the Soviet Union provided the Soviet Union stops supporting international terrorism and stops engaging in the arms race.

He said that it would take at least two years for Sino-Soviet relations to be normalised even though China has made known its desire to improve ties with the Soviet Union.

Regarding the newly-appointed Soviet foreign minister, Eduard Shevardnadze, Sitthi said that the new appointee was virtually unknown outside of Russia. But, judging from the little he knew, Sitthi said that he found Shevardnadze progressive-minded and added that he expected some positive changes from the Russians.

**OFFICIAL DISCUSSES POLICY TOWARD LAO REFUGEES**

BK010350 Bangkok BANGKOK POST in English 1 Jul 85 p 5

[Text] Twenty to 30 Laotian refugees enter Thailand every day because of economic hardships at home, despite Thailand's stricter border policies, a senior Thai official said yesterday.

Nakhon Phanom Governor Uthai Nakpricha, who governs the province where the largest Laotian refugee camp is located, said the refugees cross the Mekong River at night and turn themselves into Thai authorities the next day. He said most cite economic hardship as their reason for fleeing the Communist country, AP reported.

Thailand has adopted a screening system to separate economic refugees from political refugees. The former will be sent back, while the latter are eligible for resettlement in third countries. However, the sour relations between the two neighbours since the communist take-over in Laos 10 years ago have obstructed the repatriation programme. Governor Uthai said the camp, called Ban Na Pho, now has a population of about 40,000 and the Thai authorities have become increasingly concerned about the situation. He did not elaborate.

DATE IV. 5 Jul 85

V I E T N A M

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PARTY, STATE LEADERS GREET GROMYKO ON APPOINTMENT

BK031519 Hanoi Domestic Service in Vietnamese 1430 GMT 3 Jul 85

[Text of SRV party and state leaders' 3 July congratulatory message to Gromyko, chairman of the USSR Supreme Soviet Presidium]

[Text] Esteemed Comrade Gromyko:

On the occasion of your being elected chairman of the USSR Supreme Soviet Presidium, we, on behalf of the CPV Central Committee, the Council of State, and the SRV Council of Ministers, and in our own names, would like to convey to you our best congratulations.

Comrade, being an outstanding activist of the Communist Party and state of the Soviet Union, a great contributor to the formulation and implementation of the domestic and foreign policies of the Soviet party and state, and one of the veteran members of CPSU, your appointment to this lofty position testifies to your great prestige within the Soviet party and state and reflects the profound sentiments and respect held by all the Soviet people toward you.

We are firmly convinced that in your new, responsibility laden position, you will continue making outstanding contributions to the revolutionary cause of the Soviet party and people. As a great friend of the Vietnamese people, Comrade, you have always extended extremely valuable sentiments to our people. You have striven untiringly for and made great contributions to the development of the militant solidarity, friendship, and all-round cooperation between the CPSU and the CPV and between the peoples of our two countries.

Comrade, may you be in excellent health and record new, great achievements in your lofty activities!

May the unshakable friendship and fraternity between our two peoples and countries be constantly consolidated and developed!

Our communist salutations.

Hanoi, 3 July 1985

[Signed] Le Duan, general secretary of the CPV Central Committee; Truong Chinh, member of the CPV Central Committee Political Bureau and chairman of the SRV Council of State; and Pham Van Dong, member of the CPV Central Committee Political Bureau and chairman of the SRV Council of Ministers

NGUYEN CO THACH CONGRATULATES SHEVARDNADZE

BK031521 Hanoi Domestic Service in Vietnamese 1430 GMT 3 Jul 85

[Text] On the occasion of the appointment of Comrade Shevardnadze as foreign minister of the Soviet Union, Foreign Minister Nguyen Co Thach has sent him a congratulatory message.

THAI POLICY OF COLLUDING WITH PRC CONDEMNED

OW041219 Hanoi Domestic Service in Vietnamese 1100 GMT 2 Jul 85

[Unattributed commentary: "Is Close Collusion With China a Wise Policy?"]

[Text] Over the past few days, China and Thailand have jubilantly celebrated the 10th anniversary of the establishment of diplomatic relations between the two countries.

China dispatched its representative to Bangkok; Thailand sent four delegations to Beijing, with the Thai foreign minister being the highest official. The two countries' establishment of diplomatic relations and their celebration of the anniversary are common events, and it is their right to do so. But what is worth mentioning here is that Sino-Thai relations are detrimental not only to a third country, but to a fourth country as well. In fact, the past 10 years of Sino-Thai relations have been a time of China using Thailand, and Thailand colluding with China, in opposing the three Indochinese countries.

In the messages they exchanged, China and Thailand boast about their quest for peace and stabilization in Southeast Asia. However, China has regularly sent troops to grab land and wage armed provocations on the northern border of Vietnam. It has rejected all Vietnamese peace proposals and conducted a multifaceted war of sabotage. As for Thailand, it has also regularly waged armed provocations against Laos. Particularly serious was that it sent troops to seize and occupy three Lao villages in Sayaboury Province last August. It has also conducted a war of sabotage in an attempt to foil the revival of the Cambodian people, and fostered and harbored Khmer reactionaries on its soil so that they can carry out harassment activities against the People's Republic of Kampuchea. Are those activities what they call a quest for peace?

Thailand is causing a worry among ASEAN nations. It carries out a policy of confrontation against the three Indochinese countries, and has become a shock force of hegemonism and imperialism, which runs counter to peace and stability in the region. In late April, famous Thai politicians, scholars, and sober-minded observers made public a white paper of nearly 10,000 words, strongly criticizing the Thai authorities' policy of mistakenly considering China as its ally in opposing Vietnam and of supporting Beijing in opposing the three Indochinese countries. The paper points out that China's hegemonism is an increasingly growing threat to Thailand. Meanwhile, Thai public opinion has also protested against the U.S. attempt, with Chinese support, to reestablish a U.S. military presence in Thailand and, most recently, against the joint U.S.-Thai "Gold Cobra-85" military exercise.

The U.S. sales of two radar systems to detect enemy artillery and of 12 F-16 jet fighters far exceed Thailand's defense requirements. A (Thammasak) University professor, Mr (Chulachup Xinvanno), recently stressed: Thailand should readjust its foreign policy to make itself more independent; hobnobbing with China is not a wise move. Mr (Pugathon), a Thai parliamentarian, said: It is irrational to buy F-16 aircraft to resist a so-called threat from a foreign country; the move only serves to further worsen the tension in the region.

It is the right of the Thai authorities to decide on their relationships with other countries, but Sino-Thai relations have and are creating a worry among other countries in the region. The ASEAN nations, especially Indonesia and Malaysia, have expressed doubts as to whether Sino-Thai relations will bring anything good. On the contrary, they will further endanger peace and stability and undermine the growing trend of dialogue in Southeast Asia.

#### ARTICLE EXAMINES POST-UNIFICATION ECONOMY

OW021934 Hanoi VNA in English 1518 GMT 2 Jul 85

[Article by Nguyen Quan entitled "Vietnam's Post-Unification Economy" published in "TAP CHI CONG SAN" June 1985]

[Text] With the complete victory of the anti-U.S. struggle for national salvation, our country's revolution has entered a new stage. Over the past ten years, our people, under the leadership of the Communist Party of the Vietnam and promoting their spirit of self-reliance, have recorded great achievements in economic transformation, construction and development. The prompt national reunification on the state plan has created the basis and conditions for accelerating the process of unification on all aspects of the 1976-80 and 1981-85 socio-economic development programs. Having overcome heavy consequences left behind by the war and neo-colonialism and difficulties brought about by repeated natural calamities, we have taken the economy out of the doldrums in 1979-80, and gradually taken the economy onto the path of stabilisation as precondition for development in the following years.

**Carrying Out Socialist Transformation in the South; Perfecting the Socialist Relations of Production in the North; Strengthening the Socialist Relations of Production in the Whole Country**

After the reunification of the country, there remained many forms of ownership of the means of production. By 1975 in North Vietnam the socialist ownership by the entire people and collective ownership had been established and has since continued to be consolidated, perfected and developed. In the south, the private capitalist industry and commerce, which had much bigger forces and greater than the northern capitalists in the past, exerted quite an influence on the sea of small traders, small industrialists, handicraft producers and private farmers. In the countryside, vestiges of the system of private ownership of land and feudal exploitation remained side by side with the exploitation by the rural capitalists. We nationalized the economic establishments previously owned by the capitalist compradores, the traitors and the capitalists who had fled abroad; used and transformed the private capitalist industry mainly in the form of joint state-private ownership; and abolished the capitalist trade on the basis of expanding the state trade and the network of marketing cooperatives. In South Vietnam proper (formerly Cochinchina), 265,400 ha were reallocated to 440,000 peasant households, of which 239,600 ha were to 296,300 households in the Mekong River Delta. Socialist transformation of agriculture was carried out there too, involving up to 1984, 65 percent of the peasant households and 59.6 percent of the cultivated land in collective production. However, the revolution in the relations of production in agriculture has not been evenly carried out in all provinces.

For instance, up to that date in Tien Giang Province 83.5 percent of the peasant families had joined production collectives and cooperatives while the rate in many other provinces was only around 50 percent. There are now in Vietnam 15,629 agricultural cooperatives encompassing more than 5.3 million households. The new relations of production are being strengthened, developed and perfected. The sizes of agricultural cooperatives are being readjusted to the managerial capacity of our cadres. Besides, the state economic sector has been consolidated and expanded with 335 state farms and nearly 2,900 state or joint state-private enterprises, employing a total of 695,000 persons.

The state holds the monopoly of foreign trade, the banking and postal services, almost all the communications and transport means, and capital construction, etc. The socialist economic sector accounts for more than 56 percent of the national revenues.

**Continuing To Build the Material and Technical Basis of Socialism and Taking the First Steps in Shaping a New Economic Structure Throughout the Country**

Socialist industrialization remains the key task in the whole period of transition to socialism, which is aimed at laying the material and technical basis of socialism. Following the complete liberation of South Vietnam and the reunification of the country, we faced a situation in which the economy was predominantly small production and the material bases were small and heavily devastated by war. In the north, the U.S. air and naval war of destruction had destroyed almost all that had been built by our people. In the south, the war had laid waste to more than half million hectares of arable land, destroyed millions of hectares of forest and dislodged some seven million people from their homes and fields; the economic structure was backward, imbalanced and dependent on foreign countries.

In such conditions, in the first years after the liberation, we concentrated on restoring production in order to stabilize then to develop the country step by step. We began to streamline industrial production with a view to developing agriculture stepped up the production of consumer goods, the processing of farm, forest and sea products and the manufacture of export goods.

Within five years after national reunification, we restored almost all the industrial establishments, the main roads, the north-south railway, ports and warehouses; in agriculture, within two years after liberation, 500,000 ha of wasteland were reclaimed and put under cultivation.

Many new material and technical bases were built. The capital invested in the electric power industry over the past two years accounted for one-third of all industrial investments. The Uong Bi and Tra Noc thermal power plants and the Da Nhim hydro-electric power station were repaired or expanded; the construction of the Pha Lai and Da Nang thermal power plants and construction of the hydro-electric power plants on Da River and at Tri An is being stepped up; a number of small hydro-electric power stations have been built in the central highlands and other mountain areas; many transformer stations and high-voltage power lines have been set up such as the 80-km 200kv line from Pha Lai to Ha Dong, the 58-km line from Hoa Binh to Ha Dong, the 153-km line from Thanh Hoa to Vinh, the 35-kv line connecting Ho Chi Minh City with Tra Noc, etc. The Hanoi engineering plant, the Pha Rung shipyard, the Hungarian-supplied motor factory, the Hanoi transformer plant, the Tan Binh diesel-engine part factory, the Go Dam engineering plant, the Gia Lam locomotive plant, etc. have been new-built or expanded. Many mines were restored or expanded such as the Lao Cai apatite mine, the tin mine Cao Bang (which was destroyed by Chinese troops during their 1979 war of aggression); new coal mines such as Cao Son, Muong Duong, Mac Khe, Khe Cham, etc. have been built; off-shore oil exploration has begun in Vung Tau and preparations are being stepped up for exploitation in the near future.

The building material industries have received appropriate inputs and have put into operation some major cement plants like Bim Son and Hoang Thach, enlarged the cement plants like Bim Son and Hoang Thach, enlarged the cement plants in Haiphong, Ha Tien and several local cement works. We have built many tile-and-brick factories of from seven million to 20 million pieces per year, a 10,000-ton fire brick factory, and many pre-fab concrete and plywood factories. Chemical factories have been built or enlarged such as the Lam Thao super-phosphate fertilizer plant and the Van Dien battery factory... The consumer goods factories have received particular attention. The spinning mills in Hanoi, Hue and Nha Trang, the Bai Bang pulp and paper mill and the La Nga sugar mill have been built. The Rang Dong electric bulb and vacuum flask factory were enlarged. More food processing factories have been built, particularly in the localities.

Investments in agriculture and forestry occupies one-fifth of total investments (nearly one-fourth in 1984). From 1976 to 1984 we reclaimed 90,000 hectares, mainly in the central highland provinces and other mountain provinces. We have built some major water conservancy projects such as Ke Go, Thach Han and Dau Tieng; dredged many rivers and canals, repaired or built many pumping stations of various sizes, expanding the irrigated area by 800,000 ha, and providing drainage facilities to another 330,000 ha.

The number of tractors has exceeded 40,000, equivalent to more than 55,000 standard units. In communications and transport, we have built more than 238 kilometres of railway, nearly 3,500 kilometres of road and dozens of kilometres of bridges including the Thang Long and Chuong Duong bridges in Hanoi, many bridges on the national highway in central Vietnam and in the Mekong River Delta. We have built the Noi Bai international airport in Hanoi, the Tien and Hau Rivers, enlarged the Haiphong port and acquired more communication equipment, particularly sea-going ships. Many more scientific research centres, experimental centres and other establishments in service of trade, education, public health and culture have also been set up.

Abundant manpower is a great potential of our country. We have taken many measures to organize, manage and use well the work force and redistribute it among different regions and branches throughout the country. The work force in the national economy increased from 18.4 million persons in 1976 to 23.1 millions in 1984, 92 per cent of whom are engaged in the production of material wealth. This is quite a high ratio. The work force in agriculture and forestry increased from 12.2 millions (1976) to 15.7 million in 1984. The technical work force including that in the collective economy has increased quite rapidly from 145,900 university-level cadres in 1976 to 265,500 in 1981. In the same period the number of technical workers increased from 1,053,500 to 1,859,200.

In recent years, we have step by step formed economic technical branches, reorganized production, reallocated managerial responsibilities, making the socio-economic efficiency the criterion of our economic operations. Our guideline is to observe the state plan, maintain the balance among different branches, develop our potentials in land, manpower and production and the capabilities of various regions, as well as the capacity of all economic sectors and all production and business establishments. Industrial enterprises, particularly the central state-owned enterprises have reorganised their production and distributed their managerial responsibilities. Agriculture has also made similar readjustments. The transfer of populations to new economic zones, especially the Mekong River Delta and the central highlands, has obtained initial results. In four years (1981-84) about 770,000 persons went to new economic zones inside or outside their provinces.

District-building and the strengthening of the district level as well as district planning have been a great concern of the party in recent years. Sixty-five key districts and many other districts have completed their overall planning.

The economic structure of our country has seen many changes. The socialist economic sector is playing the leading role in the national economy, occupying 63 per cent of the gross social product. Both the central and local economies have developed. The local economies with their production capacities which had been accumulated or were newly built (though requiring no sizable investments nor a long period of construction), with materials chiefly found in the country or the localities, occupy a fairly big proportion in the national economy. The proportion of local industries in particular rose from 56.4 per cent of industrial output in 1974 to 63.2 per cent in 1984. The economic zones such as the Red River Delta, the Mekong River Delta and the central highlands have initially developed their strong points.

#### **In the Process of Stabilizing Our Socio-Economic Situation, We Have Made Important Progress in Economic Development**

Over the past ten years, our country's economy has gone through different periods of development. In the three years after liberation we made quite rapid progress only to experience a slow-down in 1979-80, but since 1981, we have come out of that decline, gradually stabilized one aspect after another of the economic life and continued to move ahead.

The national income in 1984 increased by 52 per cent over 1975. In spite of a continued high rate of population growth, the national income per capita was higher than in 1975. Agricultural production, our foremost economic sector, has continued developing in spite of repeated natural calamities. Food production in 1984 reached 17.9 million tons (in paddy equivalent). Thus, the annual increase in the 1981-84 period was more than 700,000 tons compared with 200,000 tons in 1976-80. Per capita food production rose from 240kg in 1975 to nearly 310kg in 1984. Rice productivity per hectare in 1984 was 2.74 tons, an all-time high. In the past, the provinces in the north vied with one another to achieve 5 tons of paddy per hectare on double-crop fields. In 1983 ten provinces already reaped upward of six tons per hectare, seven provinces reaped 6.5-7 tons and 40 districts reaped more than seven tons.

In particular, six districts chalked up more than 10 tons and nearly 300 villages, more than eight tons. The productivity of other plants also surpassed that in 1975, particularly soy-bean, sugar-cane, jute, rubber, ground-nut, tobacco and tea. The live-stock is also on the rise. In 1984 we had 2,500,000 buffaloes, 2.4 million cows and oxen (up by 60 % over 1975) and 11.7 million pigs (up by 30% over 1975).

With the broadening of the system of placing the forests and lands in the charge of cooperatives, the planning, protection and exploitation of the forests have been pushed up. From 1976 to 1984 we planted 900,000 ha of forest, exploited more than 13 million cubic metres of timber. Fish rearing and especially sea fishery met with numerous difficulties. Sea fishery achieved a records output in 1976 -- 604,600 tons -- but later began to decrease continually. In 1983, we were able to stem the decline and in 1984 netted 560,000 tons.

Industrial production in 1984 chalked up a 98 per cent increase over 1975 and the growth was more even among different branches. The growth rate was 75.5 per cent for Group A and 112.6 per cent for Group B, also compared to 1975. The output value of Group B in 1984, we produced nearly 4.9 industrial value in 1976. In 1984, we produced nearly 4.9, billion kwh of electricity, 60 per cent higher than 1976, 5.2 million tons of coal, 1.3 million tons of cement, nearly 70,000 tons of paper and 364 million metres of textiles. [paragraph as received]

Transport has increased since 1983 with the commodities freight rising to 11.2 tons/kilometre and the passenger freight to more than 15.3 billion/kilometre. Particularly, marine transport has increased by 2.2 times compared with 1976; civil aviation has also expanded. Along with mechanized transport, transport by rudimentary or semi-mechanized means has also developed, accounting for 21 per cent of the goods transport and six per cent of the goods circulation.

The distribution of goods has also seen new progress. The home market has been reorganized, particularly regarding food and foodstuffs. State purchases of farm produce have increased. In recent years, each year the state has purchased more than three million tons of food compared to 2 million tons in 1976-80. Retail sales of essential commodities by the state trade service and marketing cooperatives have increased in comparison with 1975. For instance, retail sales of food totaled 2.3 million tons (in rice equivalent), up by 23 per cent over 1975.

Foreign trade has expanded exports in 1984 increased by 4.9 times compared with 1975 and 3.2 times compared with 1976. In 1983-84, the export of many items such as rubber (35,000 tons), ground-nut (45,200 tons), tea, pineapples, oranges, bananas, floor board, tinned fruits, rattanware, etc. was bigger than 1975-76. The proportion of value of exports to socialist countries in total export value increased from 47.7 per cent in 1976 to 75 per cent in 1984 (mostly to the countries in the Council for Mutual Economic Assistance).

To step by step stabilize and improve the people's life is a target defined by the resolutions of the 4th and 5th congresses of the party, and a main task under the 1981-85 five-year plan. Besides striving to solve the problem of food and clothing for the people, we have built nearly seven million square metres of housing. The movement of replacing thatch roofing by tile roofing has broadened in the countryside. Equally impressive are our achievements in the fields of education, culture, and health care. We have basically eradicated illiteracy in the whole country. In the 1984-85 school year more than 13 million persons received schooling (including 130,000 university students). In other words, one fourth of the population are receiving education. At this rate, our country can be counted among the countries with the largest school population are receiving education. At this rate, our country can be counted among the countries with the largest school populations in the CMEA. Particularly noticeable is the development of health care. The number of sick beds rose from 141,600 in 1975 to 205,100 in 1983, and that of doctors from 8,400 to 16,100.

The building of the three kinds of sanitation facilities (septic tank, bathroom and well) in the countryside has developed quickly, particularly in the Mekong River Delta. In 1983 the number of wells and septic tanks doubled and that of bathrooms quintupled compared with 1975. The number of books put out has not increased, but the books supplied for the libraries have increased from 6,240,000 to 11,500,000 copies. The average number of movie-goers went up from 3.9 in 1975 to 5.5 in 1983. In 1976 the whole country had 206 cinemas and 689 mobile projection teams, in 1983 the figures rose to 302 and 891 respectively.

In recent years, to bring down the population growth rate has been made into a national policy and become a mass movement throughout the country. Thanks to this, the population growth rate dropped from 3.2 per cent in 1976 to 2.2 percent in 1984. However, the population of our country has grown at a fairly high rate: from 47.6 million in 1975 to 58.8 million in 1984.

Over the past ten years, besides looking after national security, our people throughout the country, under the leadership of the party, have striven to overcome all difficulties to build the homeland. We have drawn many valuable lessons in the building of a suitable economic structure and a suitable managerial mechanism. At present, a socialist emulation movement is developing widely among our population. "Productivity, quality and efficiency" has become the slogan of revolutionary actions for every unit, every organization and every working people.

PHAM VAN DONG WELCOMES HOME TO HUU, DELEGATION

OW041840 Hanoi VNA in English 1506 GMT 4 Jul 85

[Text] Hanoi VNA July 4 -- The Vietnamese government delegation led by To Huu, Political Bureau member of the party Central Committee and vice-chairman of the Council of Ministers, returned here today after attending the 40th session of the Council for Mutual Economic Assistance held in Warsaw. After the conference the delegation joined the party and government delegation led by General Secretary of the Communist Party of the Vietnam Central Committee Le Duan on an official visit to the Soviet Union.

It was welcomed home by Pham Van Dong, Political Bureau member of the C.P.V.C.C. and chairman of the Council of Ministers; Do Muoi, Political Bureau member of the C.P.V.C.C. and vice chairman of the Council of Ministers; Dong Si Nguyen, alternate Political Bureau member of the C.P.V.C.C. and vice chairman of the Council of Ministers and other high officials.

Soviet Charge-d'Affaires a.i. in Vietnam I.N. Myakotnykh and Polish Ambassador to Vietnam Bronislaw Musielak were also present.

TRUONG CHINH CONGRATULATES HUNGARY'S PAL LOSONCZE

OW040453 Hanoi VNA in English 1542 GMT 3 Jul 85

[Text] Hanoi VNA July 3 -- State Council President Truong Chinh today warmly congratulated Pal Losonczi on his re-election as president of the Hungarian Presidential Council.

The congratulatory message says:

"May the friendship, militant solidarity and fraternal cooperation based on Marxism-Leninism and socialist internationalism between the parties, state and peoples of Vietnam and Hungary be constantly strengthened and fruitfully developed in the interests of the two peoples, for peace and socialism the world over".

AUSTRALIAGOVERNMENT BACKS DOWN ON CONSUMPTION TAX PLAN

BK040902 Melbourne Overseas Service in English 0830 GMT 4 Jul 85

[Text] The prime minister, Mr Hawke, has told a summit meeting on tax that the government has dropped its plans for a consumption tax. The summit meeting, which started on Monday, involved delegates from areas related or interested in the taxation system. They have been considering plans by the Federal Government for a reform of the national taxation system. One of the government's preferred reforms was a tax on all consumer goods.

The prime minister addressed the meeting in the House of Representatives after a day of intense private talks with union and business leaders. Mr Hawke said the government would abandon the idea of a consumption tax and look instead for other ways to extend the indirect tax base. He said the government would begin preparing a new tax reform package as a result of the summit meeting which could include some revisions of the existing wholesale sales tax system instead of a consumption tax. The prime minister said, however, that any reform or extension of indirect taxes would have to meet the majority view of the delegates at the summit and it should not adversely affect low income groups.

The opposition leader, Mr Peacock, has been quick to comment on the government's decision to do away with its proposed consumption tax. Mr Peacock has welcomed the move, but says the summit meeting has been left in total disarray. He says Australians have been left confused about the details of Mr Hawke's proposed tax package. Mr Peacock says the only thing that is clear is that business will be hit hard. He said the opposition also welcomed Mr Hawke's suggestion over review of the existing wholesale sales tax, but he criticized the government's performance at the tax summit overall.

PRIME MINISTER'S POPULARITY DROPS TO NEW LOW

HK031159 Hong Kong AFP in English 1150 GMT 3 Jul 85

[Excerpt] Canberra, July 3 (AFP) -- Prime Minister Bob Hawke's standing in the opinion polls has dropped to its lowest point of his time in office. Six months after the re-election of his government for a second term, the Morgan Gallup Poll indicates that the opposition Liberal and National Parties would now win handsomely. The poll shows Mr Hawke's Labor Party government with a support level of 41 percent compared with 49 percent for another group, the Australian Democrats.

The polls show a drop of four points in government support during June, attributed to uncertainty about the government's intended taxation changes. In last December's elections, the ALP [Australian Labor Party] polled 47.6 percent against 45 percent for the opposition coalition. Mr Hawke's approval rating also showed a steady decline. After having been 76 percent early in his period of office, it is now down to 47 percent, which is one point lower than the opposition leader Andrew Peacock. With 48 percent Mr Peacock now leads Mr Hawke for the first time in approval rating.

Gary Morgan of the Morgan Gallup Poll said the polls clearly showed public displeasure at the way the government was handling the tax issue. The party was divided over the government's package of proposals which always had an adverse impact on ALP support, he noted. To the crucial question "who do you think would make a better prime minister," the poll showed Mr Hawke still clearly ahead of Mr Peacock by 56 percentage points to 31.

TRADE MEMORANDUM OF UNDERSTANDING WITH PRC

BK051258 Jakarta Domestic Service in Indonesian 1200 GMT 5 Jul 85

[Text] Indonesian and the People's Republic of China signed a memorandum of understanding in Singapore this morning in furtherance of efforts to reestablish bilateral trade relations. The chairman of the Indonesian Chamber of Commerce [Kadin], Sukamdani Gitosarjono and the chairman of the China Council for the Promotion of International Trade, Wang Yaoting signed the document.

The Kadin public relations chief, when contacted by Radio Republik Indonesia said the memorandum of understanding will be the stepping stone to reestablishing trade relations between the two countries. The document comprises six points and also covers the problem of indentifying the port in Indonesia for Chinese vessels and ports in the PRC for Indonesian vessels. For Indonesian businessmen who will visit the PRC on the basis of this agreement, visas will be issued by the representatives in Hong Kong and Singapore. Similarly, Chinese businessmen who visit Indonesia will have their visas issued by the Indonesian representatives in Singapore or Kong Kong.

UK TRADE MINISTER ON INVESTMENT, COOPERATION

BK030939 Jakarta Domestic Service in Indonesian 0700 GMT 3 Jul 85

[Text] The British Government considers Indonesia a good and potential region for investment. At a press conference in Jakarta yesterday, the British minister for trade, Paul Channon, said in view of Indonesia's political and peaceful stability as well as its rapid economic development, the country can be a British base for the production of goods which can be exported to the other ASEAN countries. He said that he will meet with the Indonesian minister for research and technology, B.J. Habibie, in London next week to discuss the possibility of cooperation in the field research and technology, especially on the issue of high technology transfer to Indonesia. He clarified that his delegation's visit to Indonesia is a follow-up of British Prime Minister Margaret Thatcher's visit to Indonesia in April 1985.

According to the data of the Indonesian Central Bureau of Statistics, the volume of the Indonesian-British trade has increased in recent years, but the deficit is always in favor of Indonesia. Britain maintains the eighth position in foreign investment in Indonesia, while Japan remains the largest foreign investor, followed by Hong Kong and the United States. Indonesia and Britain have an agreement on the prevention of double taxation and an agreement on trade promotion as well as the protection of investments.

PARLIAMENTARIAN COMMENTS ON GROMYKO APPOINTMENT

HK031404 Hong Kong AFP in English 1358 GMT 3 Jul 85

[Text] Jakarta, July 3 (AFP) -- A senior Indonesian parliamentarian said today that Andrey Gromyko's appointment as Soviet head of state indicated that Communist party chief Mikhail Gorbachev would concentrate mainly on domestic problems. Amin Iskandar, a member of the parliamentary Committee on Defence, Security and Foreign Affairs, made his remarks to ANTARA NEWS AGENCY. He said he expected Mr. Gromyko, formerly foreign minister, to tackle foreign affairs, while Mr Gorbachev focused mainly on domestic affairs, particularly economic development and party politics.

Mr. Iskandar said the new Soviet foreign minister, Eduard Shevardnadze, was still inexperienced and predicted it would be Mr. Gromyko who would give foreign policy directives and guidance. "I therefore expect no foreign policy changes on the side of the Soviet Union," Mr. Iskandar said. The Indonesian Government has yet to comment officially on Mr. Gromyko's appointment as Soviet president yesterday.

DEMONSTRATORS PROTEST ALLEGED U.S. INTERVENTION

## 2 July Demonstrations

HK030440 Manila Far East Broadcasting Company in English 2300 GMT 2 Jul 85

[Text] Two demonstrations, one against the government and the other against alleged U.S. intervention in Philippine affairs, were held yesterday [2 July] in Metro Manila. The antigovernment rally was held by a group of priests, nuns, and church lay leaders at Mendiola in Sampaloc. The rallyists denounced the allegedly increasing militarization in the country and the unsolved killings of churchmen and lay leaders suspected to be collaborating with subversives. Police said the demonstrators numbered about 1,200.

The other demonstration was held in front of the joint U.S. Military Advisory Group building on Morato Street and Timog Avenue in Quezon City. The demonstrators deplored alleged U.S. intervention in Philippine affairs.

## 4 July Protest

HK050400 Manila Far East Broadcasting Company in English 2300 GMT 4 Jul 85

[Text] Some 7,000 demonstrators gathered yesterday [4 July] afternoon in front of the U.S. Embassy on Roxas Boulevard to protest what they called American influence over the Philippine Government. The rally, spearheaded by 12 multisectoral groups, coincided with the nation's observance of Philippine-American Friendship Day. Speakers at the mass action took turns in assailing the U.S. Government for supporting the alleged suppression of popular dissent by the present administration. The rallyists assembled at four points in Metro Manila, converging first at Plaza Miranda at Quiapo at about 3 p.m., before proceeding to the U.S. Embassy. A motorcade also preceded a march, snarling traffic on Taft Avenue and Mabini Street in Ermita District. Some 300 antiriot policemen guarded the embassy. They remained cool despite jeers from the rallyists. The demonstrators marched back to Plaza Miranda at about 6:25 p.m. where they dispersed peacefully.

## AFP REPORT

HK041040 Hong Kong AFP in English 1004 GMT 4 Jul 85

[Text] Manila, July 4 (AFP) -- Thousands of Filipinos led by militant youths chanting "revolution, revolution" marched toward the U.S. Embassy here today to denounce alleged U.S. intervention in Philippine affairs.

The protesters jeered at hundreds of riot police who blockaded the seafront compound housing the U.S. mission. It was one of the biggest demonstrations of anti-U.S. sentiment in recent years. The protest occurred on Philippine-American Friendship Day. The Philippines was a U.S. colony from 1898 to July 4, 1946.

"We are here to articulate the grievances of the Filipino people against U.S. intervention in the Philippines," said Loretta Ann Rosales, a professor who led the protest that included students, trade unionists and professionals. A police official on the scene told AGENCE FRANCE-PRESSE they were facing off at least 6,000 demonstrators.

Washington is the main ally of this former U.S. colony, which hosts two of the largest U.S. overseas military bases. The marchers said the U.S. Government controlled Manila through the "(President Ferdinand) Marcos dictatorship."

The protesters came from a central Manila square, waving red flags and chanting "revolution, revolution" and "NPA, NPA" for the communist New People's Army, which is leading an escalating 16-year-old guerrilla campaign across the Philippines.

Youth militants openly distributed to reporters and bystanders statements of the outlawed organization of religious radicals, the Christians for National Liberation (CNL), which justified "the right of the Filipino people to armed struggle for self-defense and national liberation."

The CNL is among the dissident groups led by the Communist Party of the Philippines (CPP) and the NPA that comprise the National Democratic Front, and underground coalition advocating armed rebellion against the 20-year-old regime of Mr Marcos. Mrs Rosales told reporters they were demanding the immediate closedown of the U.S. bases and pull-out of American military advisers in the Philippines, and for Washington to stop supporting Mr Marcos.

Washington has pledged to provide 900 million dollars in military and economic aid to the Philippine Government from fiscal 1985-89 as compensation for Clark Air Base and Subic Bay Naval Base near Manila.

The U.S. mission was closed today in observance of the national holiday and U.S. Independence Day.

#### WOLFOWITZ, U.S. AMBASSADOR CITED ON RELATIONS

HK040510 Manila Far East Broadcasting Company in English 2300 GMT 3 Jul 85

[Text] U.S. Assistant Secretary of State for East Asian and Pacific Affairs Paul Wolfowitz yesterday [3 July] cited progress in the implementation of political and economic reforms in the country. He made the observation during an international news conference by satellite coinciding with the forthcoming Association of Southeast Asian Nations' foreign ministers' meeting in Kuala Lumpur and the post-ministerial conference with major Western allies. During the interview, Mr Wolfowitz noted progress in the country's economic structure, particularly in the reduction of monopolies in certain industries. He also expressed the need for increased military assistance to the Philippines as a means to institute military reforms in the face of the growing insurgency in the country.

Meanwhile another U.S. official, U.S. Ambassador to the Philippines Stephen Bosworth assured Filipinos that the United States remains a friend whom they can count on for help in times of crises. He gave the assurance in a speech before the Philippine Columbian Association in Paco on the occasion of Philippine-American Friendship Day today, July 4.

#### FOREIGN CREDITOR BANKS ASKED FOR NEW MORATORIUM

HK041226 Manila BUSINESS DAY in English 3 Jul 85 p 3

[Text] The government yesterday wired the country's bank-creditors abroad asking for another 90-day moratorium on the country's foreign debt repayments. Manila-based foreign bankers said there may be further delays in the delivery of the financial rescue package which the government last May formally arranged with foreign banks. Reports reaching the Manila offices of foreign banks indicated that Mellon Bank Corp., the 11th largest bank in the United States and a major creditor of the Philippines, has yet to join the rescue package.

The bankers nevertheless noted that the request for a new moratorium in itself was "not surprising," since a moratorium will be needed to give the government and the foreign banks more time to put the package in place. The government earlier expected the package to be ready by the middle of this month, after the International Monetary Fund (IMF) gives its approval for the \$108-million second drawing from the Philippine standby credit line. With the present moratorium expiring on July 8, another moratorium period would be needed. But what surprised the bankers was the length of the requested moratorium -- 90 days or about three months. "It may indicate more delays," one said.

According to talks in banking circles, Mellon Bank was supposed to have joined the package by now. The bank was one of two banks which last May, at the signing of the package, withdrew their support for the government's request for a loan restructuring, the grant of fresh loans and the reopening of trade credits to local banks. The other bank signed up the other week, but Mellon Bank did not.

At the heart of the problem between Mellon Bank and the government is the bank's exposure in the Philippine Airlines, Inc. (PAL). Mellon Bank contends that part of those exposures should be excluded from the amount on which will be based the computation of the fresh loans the bank has to extend to the Philippines as part of the rescue package. According to the principles of the rescue package, the country's creditor banks abroad should give fresh loans equivalent to 7.5 percent of their outstanding exposures as of October 1983 -- the start of the moratorium.

Sources in banking disclosed that Mellon Bank is questioning the Central Bank's computation of the bank's contribution to the \$925-million new loan to the country.

#### OPPOSITION DEMANDS MARCOS RESIGNATION OVER PROPERTY

HK041410 Hong Kong AFP in English 1352 GMT 4 Jul 85

[Excerpt] Manila, July 4 (AFP) -- The opposition today demanded the resignation of President Ferdinand Marcos, his wife Imelda, and other Filipino officials named by press reports as prominent property holders in the United States. Opposition M.P.'s Homobono Adaza and Luis Villafuerte issued the resignation call as Manila's press reprinted in full a U.S. newspaper report that the officials are "owners of multi-million dollar properties and businesses in the United States."

Two dailies here said a cabinet member, Energy Minister Geronimo Velasco, resigned yesterday after his name appeared on the list of the California-based MERCURY NEWS, which did a special report on the property holders. There was no official confirmation today that Mr Velasco had resigned and sources in the Presidential Palace said they could not confirm the reports. The M.P.'s said "the rule Velasco has set for himself should not only apply to himself and his colleagues in the cabinet but more particularly so to President and Mrs Marcos." Mrs Marcos is human settlements minister. The two M.P.'s also urged the National Assembly to probe the allegations and to "expand the investigation beyond the United States," saying Filipino investments may also exist in Europe, Australia, Hong Kong, and Taiwan. The government has kept a stony silence on the matter.

#### MARCOS REFUSES ENERGY MINISTER'S RESIGNATION

HK050759 Hong Kong AFP in English 0743 GMT 5 Jul 85

[Text] Manila, July 5 (AFP) -- Philippine President Ferdinand Marcos has refused to accept the resignation of his energy minister in the wake of a reported property scandal that has rocked this capital, an informed source said today.

Minister Geronimo Velasco met with the president Wednesday and was persuaded to remain in his post despite his insistence that his involvement in the scandal left him no choice but to resign, the source told AGENCE FRANCE-PRESSE. Press reports yesterday said Mr. Velasco had resigned after being named alongside President Ferdinand Marcos, his wife Imelda and several close associates as owning millions of dollar's worth of property in the United States.

A presidential palace spokesman said yesterday that he was not aware of the resignation of Mr. Velasco. The informed source said today that Mr. Velasco had several times wanted to resign but the press reports, taken from a California newspaper story, had finally prompted him to resign formally because it cast doubt on his integrity. The media have been unable to reach the minister since the story broke. He had been quoted as saying the story, which reported he purchased a 925,000 dollar mansion on Woodside, California, was not true.

Mr. Velasco's name appeared last week in a list of prominent Filipino officials and businessmen, led by President Marcos, published by the San Jose MERCURY NEWS of California, which said they had reportedly purchased millions of dollars of property in the United States.

The Philippines press have extensively re-run the MERCURY NEWS report, while the presidential palace has maintained a stony silence, apart from issuing a statement that there was nothing wrong with owning property in the United States as long as the purchases were legal.

GEN VER TO SEEK ACQUITTAL FROM SUPREME COURT

HK041258 Manila BUSINESS DAY in English 3 Jul 85 p 20

[By Gerry No. Zaragoza]

[Excerpt] Armed forces chief of staff (on leave) General Fabian C. Ver will use the Supreme Court (SC) as venue in seeking his acquittal in the Aquino-Galman double murder case, his lawyer told reporters yesterday.

Antonio Coronel, Ver's counsel, made known his plan following the Tanodbayan announcement that it will challenge before the high court the Sandiganbayan ruling rejecting as evidence the Agrava board testimony of Ver, Maj. Gen. Prospero Olivas and six soldiers accused as accessories. Coronel said that when the eight accused accessories are required by SC to comment or file an answer to the Tanodbayan motion, he will ask the high court to sustain the Sandiganbayan ruling and to dismiss the case against Ver or order the Sandiganbayan to dismiss it. If the Sandiganbayan ruling is sustained, Coronel said, there will be no more evidence against Ver since the prosecution has said that his testimony before the Agrava board is the only evidence of his alleged accessory act to cover up the double murder.

Ver, together with Olivas and six other soldiers, were charged as accessories for allegedly covering up the murders of former Sen. Benigno S. Aquino, Jr. and Rolando Galman. Coronel added that if the Sandiganbayan ruling is sustained by the high court, there would be "no sense in continuing with the case (against Ver) where admittedly there is no evidence." "Any further proceedings in this case would be a sheer exercise in futility," Coronel pointed out.

Ver's lawyer said that when he argues before the Supreme Court, he will cite the case of Salonga vs. Pano in which the high court said that if there is insufficient evidence, the prosecutor should not insist on prosecuting and the court should not insist on trying a non-meritorious case.

"If the Supreme Court can treat an opposition leader in the manner that it treated (former Sen. Jovito) Salonga ... I do not see any reason why it should not apply the same principle, just because Gen. Ver is not from the opposition," Coronel said. He added that the high court had laid down the principle in the Salonga case that the strong arm of the law cannot be used to oppress anyone.

GOVERNMENT NOT TO IMPOSE BAN ON STRIKES

HK040508 Manila Far East Broadcasting Company in English 2300 GMT 3 Jul 85

[Text] The presidential Council on National Economic Recovery assured yesterday [3 July] the government will not impose a strike ban. The assurance was given in separate meetings of the executive house by the representatives of labor and management. [sentence as heard] They agreed on a common ground to maintain industrial peace. The labor leaders said that as long as labor standards and bargaining contracts were honored, industrial peace could be maintained. The council also expressed confidence that the national economic recovery is gaining momentum. It also said the labor sector and industrial leaders agree to support the government's national recovery and stabilization program and help work out strategies to bring about industrial peace, increased production and improved productivity in the country.

RAMOS ISSUES WARNING ON NOT REPORTING ARRESTS

HK040504 Manila Far East Broadcasting Company in English 2300 GMT 3 Jul 85

[Text] Acting Armed Forces Chief of Staff Lieutenant General Fidel Ramos reiterated yesterday [3 July] his warning against the arrest of suspected subversives which are not reported to the Command for the Administration of Detainees [CAD] in his radio message to all military commanders. Ramos said all such arrests must be reported immediately to CAD within 24 hours if the arrests are made in Manila, and within 72 hours if made in the provinces. However, in the provinces, similar reports must be made to the regional command headquarters within 24 hours.

DEFENSE MINISTER ORDERS SECURITY FOR MEDIA MEMBERS

HK050412 Manila Far East Broadcasting Company in English 2300 GMT 4 Jul 85

[Text] Defense Minister Juan Ponce Enrile yesterday [4 July] ordered military and police authorities to effect tighter security measures for the protection of mediamen. Minister Enrile issued the order in the wake of the killings of several mediamen. He said the incidents pose a threat to press freedom. Similar steps were taken by acting Armed Forces Chief of Staff Lieutenant General Fidel Ramos following a meeting with Information Minister Gregorio Cendana and northern Luzon mediamen in Dagupan City. Gen Ramos also ordered an investigation into the killing of Baguio City Radio newsman Clarito Olivares who was the fifth radio commentator killed since June 1st. The other radio men killed since June 1st were Bernardo Navarette of Vigan, Ilocos Sur, Eddie Suede and Nick (Danesa) of Iloilo City, and (Nebucadnezar) Velez of Cebu City.

Minister Enrile said there is no definite pattern yet on the killings of radiomen to determine if a group is behind them, however he said if the killings go on unchecked they could threaten the constitutional freedom of the press.

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